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Bosnia Peace Talks Continue in Geneva

No 'Concrete Agreements'

LD3011181793 Belgrade TANJUG Domestic Service in Serbo-Croatian 1728 GMT 30 Nov 93

[Excerpts] Geneva, 30 Nov (TANJUG)—Today's round of peace talks on Bosnia ended in Geneva without concrete agreements, but all participants expressed their readiness to continue negotiating despite great differences concerning the solution to territorial disputes. [passage omitted]

President Tudjman stressed that the Muslim delegation increased their demands which, as he assessed, set back the talks considerably. Nevertheless, the Croatian president expressed hope that this problem, as well as disputes in Croat-Serb, Muslim-Serb, and Croat-Muslim relations, will be fully resolved, because, he said, the talks are also being held about cease-fire, ways of ending the war, and the normalization of relations as a precondition for the establishing of international order in the territory of the former Yugoslavia, East Europe, and the Balkans.

The Muslim side was least optimistic. Following talks with the Bosnian Serbs and Bosnian Croats, Haris Silajdzic, prime minister of the Muslim government, confirmed this by saying: "We have not reached any agreements today. Everyone still adheres to their stances. I do not know what will happen tomorrow."

Milosevic: Talks 'Constructive'

LD3011171793 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 30 Nov 93

[Text] [Correspondent Vinkovic] President Tudjman ended his two-day talks in Geneva with a meeting with the Muslim delegation. During the bilateral talks, the Croatian president had a meeting with Serbian President Slobodan Milosevic and the leader of the Bosnian Serbs, Radovan Karadzic. I have learned from reports that have reached journalists that the main topic of today's talks was the EU [European Union] plan to end the crisis in Croatia and Bosnia-Herzegovina.

Serbian President Milosevic, who was the first to leave the Palais de Nations, said that the talks had been constructive, and he wished luck to the representatives of the three nations from Bosnia- Herzegovina who are to meet tomorrow; a considerable twist compared to his heated address to the European twelve yesterday. Responding to Milosevic's accusations that the world, mainly Europe, is to blame for the war in the territory of the former Yugoslavia, Belgian Minister Claes, president of the Ministerial Council, said that this was Geneva, and not Belgrade. However, Milosevic's speech was meant more for Serbia prior to elections than for Europe.

Following talks with the Serbs, the Muslims said that they could not accept the discussion of the question of who Sarajevo belongs to. The basis of the talks on territorial division of Bosnia- Herzegovina are the talks held on the British ship Invincible, and not the new territorial demands, the Muslims justifiably claim.

However, how can they demand access to the sea, in other words, demand the territory, which by all criteria belongs to the Bosnia- Herzegovina Croats? Perhaps that is part of the political strategy to ask for a lot in order to obtain something.

Before today's talks, President Tudjman said the following when answering a journalist's question about whether Croatia was ready to grant the Muslims a corridor to the sea:

[Begin Tudjman recording] Nothing new. We said that we would grant the Bosnian Muslim republic a free zone in the ports of Ploce and Rijeka. As we offered in [word indistinct] tourist facilities on the Klek [peninsula near Neum]. [end recording]

[Vinkovic] One of the questions referred to the trustworthiness of yesterday's military agreement, seeing that it was reached without Bosnian Serb General Mladic.

[Begin Tudjman recording] We should hope that things will be more or less fine concerning humanitarian aid, but the danger lies in the fact that certain sides continue the war by taking advantage of humanitarian efforts. This is something the world must face. [end recording]

[Vinkovic] The impression is that only the Croatian delegation acted in line with Europe's policies, which, I hope, the European twelve will appreciate.

Karadzic Expects Results

LD3011182693 Belgrade TANJUG Domestic Service in Serbo-Croatian 1736 GMT 30 Nov 93

[Text] Geneva, 30 Nov (TANJUG)—The greatest accomplishment of the Geneva meeting is, perhaps, the fact that the talks have continued between the same participants and under the same chairmanship of Owen and Stoltenberg, republic of Srpska President Radovan Karadzic said in Geneva today.

Following the wind-up of today's separate talks between the Serb delegation and the Croat and Muslim sides, Karadzic told reporters that there can be no talk of any significant progress in the search for a solution, but added that "it seems to have become clear that the Serbs and the Croats should make sure the Muslim republic, which will be an independent state, gets around 33.3 percent of the territory."

"It is also obvious that the international community realizes that the Serbs will join the Serbs and the Croats will join the Croats," Karadzic said.

He added that "the greatest problem is the Muslims' outlet to the sea—something the Croats vigorously oppose." The issue of demarcation in Sarajevo itself is also prominent.

"The talks have resumed and should be expected to produce results, maybe even by the end of this year," Radovan Karadzic underlined.

Croatia's Tudjman Comments

LD3011192293 Zagreb HTV Television in Serbo-Croatian 1830 GMT 30 Nov 93

[Remarks to journalists by Croatian President Franjo Tudjman at the Palais des Nations in Geneva following talks on 30 November—recorded]

[Excerpts] We had talks about demands that the Muslim delegation had put forward, primarily asking for territorial access to the sea at Neum, which for the Croatian side, in the light of the fact that the Croatian national territory would split into two, is unacceptable. Negotiations will continue here later, it is difficult to see what the results will be like. But, of course, as in all other cases, these issues will be resolved one day with a view to ending the war. It is, nevertheless, worrying that some people have not shown enough will to reach a solution as soon as possible in the spirit of the European Union initiative. [passage omitted]

The Croatian delegation remained true to the stands and agreements reached in negotiations so far within the framework of the Geneva conference, and to the final talks, the final text, which was concluded on the "Invincible". However, the Muslim delegation put forward more demands, and in this respect, the talks were to a certain extent set back. But all issues that were dealt with at this conference are subject to the resumption of talks and probably progress will be reached in certain issues in the next few days. [passage omitted]

Bosnia's Buha Views Muslim Demands

LD3011161393 Belgrade TANJUG Domestic Service in Serbo-Croatian

[Excerpts] Geneva, 30 Nov (TANJUG)— Serb-Muslim talks on territorial disputes have reached a critical stage at the peace negotiations in Geneva. [passage omitted]

Despite Sacirbey's dramatic warning that the Serb-Muslim talks are close to collapsing, it has been learned that the talks have been resumed. Aleksa Buha, the Serb Republic's minister of foreign affairs, confirmed this to TANJUG.

According to Buha, the essence of the problem is that the Bosnian Muslims are still striving for a unitary Bosnia-Herzegovina. This is the key problem, Buha said, adding that without resolving the problem of Sarajevo no solution for any of the other territorial disputes can be found.

As far as new territorial concessions are concerned, Muslims initially demanded almost all of Bosnia-Herzegovina, Buha said. In a somewhat revised demand, they are now mentioning eastern and western Bosnia; as for Sarajevo it is obvious that their intention is to wait for the two-year UN mandate in the city to expire so that they can treat it as an integral part of their territory. [passage omitted]

Presidency Member Comments

LD3011202093 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1900 GMT 30 Nov 93

[Text] Here is what Ivo Komsic, a Bosnia-Herzegovina Presidency member and a member of our delegation to the Geneva talks, said to Bosnia-Hercegovina television about the Geneva talks today:

[Begin Komsic recording] The negotiations so far have not followed a course which would promise the signing of peace and restoring peace in reality. Actually, what had been set as a task at the plenary session yesterday before the European Union ministers has not been going according to our expectations. The negotiations have been dealing with the territories, which is the most difficult issue to agree upon, since it is well known that this war started and the aggression perpetrated because of the Bosnia-Hercegovina territories.

I would prefer it if the negotiations were dealing with the quality of institutions which could preserve the territorial integrity of Bosnia-Herzegovina, because if talks and negotiations proceeded in that direction, then in a certain way these contentious borders between the future three republics, as constituent parts of the union of Bosnia-Herzegovina, would become marginal. [end recording]

Bosnia's Silajdzic Views Talks

AU3011221293 Vienna ORF Television Network in German 2112 GMT 30 Nov 93

[Interview with Bosnian Prime Minister Haris Silajdzic in Geneva by Robert Hochner in the Vienna ORF studio; Silajdzic speaks in English, with simultaneous German translation—live]

[Text] [Hochner] Good evening, Mr. Prime Minister.

[Silajdzic] Good evening.

[Hochner] Mr. Prime Minister, do you agree with the Serbs and Croats that the Geneva negotiations are deadlocked?

[Silajdzic] I can hardly hear you, but I think that the negotiations have not brought much progress. What happened is this: The 12 ministers of the European Union asked us whether we would sign a peace agreement if our demands were met to a minimum degree. Our answer was positive. We would sign a peace agreement, if a minimum of our demands were met. Regrettably, we do not see any progress because the positions have remained unchanged. So we are virtually at the beginning.

[Hochner] In your view, what better conditions could the negotiations bring for the Bosnian Muslims? Should the European Union exert pressure again on Serbia and possibly also Croatia?

[Silajdzic] Well, as I said, we are ready to keep to our part of the agreement. We hope the European Union will be in a position to contribute its share, in other words, make sure that our minimum demands be fulfilled. We have agreed to sign a peace agreement if our minimum demands on the basis of the situation in Bosnia-Herzegovina are fulfilled. The humanitarian situation can best be described as an attempt to survive. It is extremely difficult. But as I said, unfortunately I do not believe that these talks have brought much progress or any progress at all.

[Hochner] How can things continue, Mr. Prime Minister? Can the Muslims survive another war winter, or would it not be better out of regard for your people to accept a peace settlement, even if it were connected with the most serious territorial concessions?

[Silajdzic] You are probably talking about the Bosnians, no matter who they are, irrespective of their religion—Muslims, Orthodox, or Catholics—they are all suffering equally. The problem is this: Our people want freedom and dignity, and I think that we are able to survive this winter, and we are able to survive until we have freedom. We have agreed to sign a peace agreement, if our minimum demands are fulfilled, minimum demands for a Bosnia that can survive within borders that can be defended. Otherwise, there will not be peace, and our signature would only spell further suffering and further aggression for Bosnia. That is why we speak about minimum demands. Within this framework, we can seek genuine peace and genuine survival.

[Hochner] Are you not concerned that the European Union will stop trying to talk about peace with the warring Bosnian parties, and will just let the war continue?

[Silajdzic] I do not know. It is up to them. But I do not think they will be ready to punish the Bosnians who have been punished twice, first by the aggression and second, by the international community. The international community has decided to leave us defenseless in view of this aggression. If there were to be a third punishment, the situation would be extremely difficult.

[Hochner] What do you think about the plan drafted by France and Germany within the framework of the European Union, under which one intends to make Serbia agree to concessions on Bosnia, and in return hold out prospects for lifting the sanctions?

[Silajdzic] We welcome this initiative. We think this is a very good and timely initiative because the winter has come. We have come here full of hope and have said that we would sign the peace agreement if our minimum demands are fulfilled. But what we have found here is the same as before. The positions have not changed, and that is the problem.

[Hochner] Once again, in case you did not understand me or hear me well, do you believe that the lifting or easing of the sanctions against what is left of Yugoslavia could represent a key to the solution of the problems in Bosnia?

[Silajdzic] It depends of course on their behavior in Bosnia. They must withdraw to the borders agreed upon. They must return some of the territory that they conquered by force and must withdraw. Then the sanctions could be lifted. We do not want the sanctions to hit the Serbian people. We have problems with the regime, not with the people. If the regime in Bosnia behaves accordingly, if some of the territory that was seized by force is returned, and if the troops withdraw, the sanctions should, of course, gradually be lifted, as suggested.

[Hochner] Mr. Prime Minister, thank you for taking time to talk with us. Good evening.

Owen Says Serbs 'Ready' To Cede Land

AU0112112493 Paris AFP in English 1033 GMT 1 Dec 93

[By Francis Curta]

[Text] Geneva, Dec 1 (AFP)—Bosnian Serbs are reportedly ready to make additional territorial concessions to Bosnia's Moslems, a Bosnian Moslem delegate said here Wednesday [1 December]. He spoke as warring Bosnian Serbs and Moslems went into conference carrying maps Wednesday morning to try to search for a territorial compromise to end the 20-month war. Bosnian Croats also arrived at the United Nations headquarters here and might possibly later also join the talks.

Mohamed Filipovic, a leading member of the Moslem delegation, said international mediator David Owen had told them the Bosnian Serbs were now ready to hand over an additional 3.5 percent of territory.

He did not say what areas were under consideration, but added: "We are not giving up Srebrenica and Zepa (two enclaves in the east of the country), but we are altering the plan."

The plan, rejected in September by the Bosnian Moslem-led Parliament, had called for Bosnian Serbs to hand over some 30 percent of the territory they currently hold. The parliament said the Serbs had to hand over more territory to ensure viability for a future Moslem-based mini-state slated to emerge from partition of the country. Bosnian Serbs and Croats are also due to get their own states.

Moslem delegates Tuesday said they were demanding some two percent more territory in the east of the country and two percent more in the west as a price for

agreeing to partition. They also want the Croats to hand over a strip of coastland and the international community to guarantee the peace.

After accusations that the Serbs were trying to side-track the talks by discussing the status of Sarajevo Tuesday morning, Bosnian Moslem-led Government Premier Haris Silajdzic said in the evening the matter had been left aside. Under the peace package, negotiated here earlier, Sarajevo would be run by the UN for a two-year period during which its status would remain in limbo.

A diplomat close to the conference said however that the question of Sarajevo remained high on the agenda and had been discussed at least four times since Sunday. "Sarajevo remains a central, crucial issue," the diplomat said.

Both Croatian President Franjo Tudjman and Serbia President Slobodan Milosevic, who returned to their respective capitals Tuesday night, said they were hopeful progress would be made now that negotiations were back on track after a two-month interruption.

Germany's Kinkel Emphasizes Hope for Accord

LD3011125293 Hamburg DPA in German 1112 GMT 30 Nov 93

[Excerpts] Rome (DPA)—Foreign Minister Klaus Kinkel emphasized his hope of a Geneva peace solution for Bosnia by mid-December at the CSCE Council of Ministers meeting in Rome today. Kinkel stressed in particular the importance of the military's agreement on protected corridors for humanitarian aid convoys. The Twelve have now put the peace negotiations "back on the right track" on the basis of the Franco-German initiative. [passage omitted]

Kinkel put forward new proposals intended to give the CSCE more scope for action. The CSCE must act as a collective security system and agree to "jointly bring in the UN Security Council against a country that disrupts the peace and belongs to the CSCE family." In the process of implementing the decisions taken by the Security Council, NATO and the WEU could also be brought in to maintain peace. However, the CSCE must also get used to the idea of deploying troops.

The German foreign minister acknowledged the helplessness of the international community in conflicts. "There is the concept of preventive diplomacy. However, in practice, we still see too little of it and then often too late." Nevertheless, the CSCE is the only organization which unites its member-states politically with equal rights and obligations. The successful observer missions must be expanded. Kinkel regards this as "a particularly important focus of activity for the CSCE in the future."

The foreign minister flew back to Bonn at noon with his French counterpart Alain Juppe to attend the Franco-German summit.

Democratic Party Expels 'Rightist' Kalakula

AU3011083093 Lezhe KOHA JONE in Albanian 27 Nov 93 p 2

[G. von Pollo article: "The Democratic Party—A Farewell to Petrit Kalakula's Arms"]

[Text] On Thursday [25 Nov], the Democratic Party [PD] bade farewell to Petrit Kalakula's arms, by expelling the former agriculture minister from its ranks at its Tirana conference. Opposing the majority of the delegates, who applauded Karakula, CPD Chairman Eduard Selami was seen on Albanian Television, wearing the raincoat he always puts on when he lambastes communism, and threatening Kalakula by calling on him to form a fascist party.

It seems that a fascist party is the only thing missing from the Albanian political spectrum, and the PD chairman [Selami] has finally decided to fill this gap. Eye-witnesses in the hall report that the delegates coolly received Selami's speech, and one of them said that the PD chairman used television editing to steal Kalakula's applause: On the screen, we saw Selami being applauded by the admirers of Kalakula, who in his speech had criticized the PD for reneging on its promises given to former proprietors for the restitution of their property. Kalakula, who has always been labeled even by the ruling party's newspaper itself as a "right-wing extremist," did not abandon his own position even at Thursday's conference; on the contrary, Kalakula's attack against the policies of Berisha and the government was the most savage assault on the PD since that of the motionists one year ago. In his view, there will be no social peace in Albania until the former proprietors regain their legal property, and this is the main reason hindering foreign investment in Albania. However, speaking from the dais to which he was elevated by his work on Enver Hoxha's aesthetic thinking, Selami said last Thursday that the PD would lose votes by returning property, the same votes that it lost in the local elections of 26 July [1992]. Kalakula, who last month took on his shoulders all the sins of the right, said that his voters' land had been occupied by hordes arriving from the northeast, whom, he said, had not only not been penalized, but, on the contrary, had been promised the land of the Tirana state farms.

During a heated session that recalled not only the conference expelling the motionists from the PD but also the Tirana Conference of 1956 [expelling "liberals" from the Albanian Workers Party], Kalakula said that his party had not completed the struggle against communism, but had neglected it. The former agriculture minister stood up against Berisha's formula of "the opposition, but brothers," but did not say that the number one communist in the PD is Berisha himself. The symbolic trials of the former blockmen, which Berisha said at the meeting of intellectuals that he would carry out, will lead the country toward practices that in the East have brought the former communists back to power.

Kalakula, who was appointed agriculture minister at the time when the government was being more harshly attacked than ever by the former proprietors, demanded on Thursday that the PD should heal the disease of corruption. Tritan Shehu, he said, must be held accountable for the thefts and abuses in the health sector, instead of creating special and illegal sections in the hospitals and clinics. It is up to Zhulali to explain why he escorted the Greek warship Sotirios, laden with 8,600 tonnes of cigarettes worth $9 million.

However, Zhulali was not present at Thursday's conference to answer Kalakula's charges, while Tritan Shehu could not speak in defense of himself and his party because the same delegates that applauded the former chairman of the PD's Tirana branch [Kalakula] booed the health minister and did not allow him to finish his speech.

The hall's applause for Kalakula augurs ill for the PD. In one month, he PD will hold its second congress, and it will be hard, by the middle of December, to tie the hands and tongues of those who hailed Kalakula, whom Salami has labeled a rightist and fascist. Even though he was not a candidate for PHD chairman in Tirana, Kalakula received 13 votes, while, out of 800 voters, only 380 considered Dylber Vrioni worthy of the post of chairman. What happened to about 400 votes? Perhaps the PHD has stored them up for the congress.

However, this is not all. Yesterday's split in the ruling party will also have consequences in parliament. Since last Thursday, the PHD is in danger of losing even more votes in parliament, because it seems that Kalakula will also leave the parliamentary group. This erosion from the right may be even more dangerous, because there were eight deputies that supported the property bill proposed by the former proprietors. After the group of motionists who were detached from the PHD one year ago, another clump could be formed on the parliament's right, thus stripping the PHD of both reformers and radicals. Then what will be left of the PHD?

UN Delegate Comments on Embargo Enforcement

AU2911180493 Sofia Khorizont Radio Network in Bulgarian 1700 GMT 29 Nov 93

[Text] [Announcer] New comments appeared in the Bulgarian print media about an interview that Slavi Pashovski, Bulgarian delegate to the United Nations, gave to the Khorizont Program last Friday [26 November] on the subject. We are now broadcasting a new statement by the UN delegate explaining the exact meaning of the UN Sanctions Committee's instructions and elucidating the concept of land transit through the Federal Republic of Yugoslavia. Let us hear what Mr. Slavi Pashovski has to say:

[Begin Pashovski recording] As I pointed out in the aforementioned interview, it is a question of approved control measures over an eventual land transit through the territory of the new Yugoslavia, as you expressed yourself. It is not appropriate to use the word corridor, which I have never done. This is a politically loaded term. Bulgaria is a country enjoying exceptionally high international prestige because of strictly observing its international commitments and obligations. Regardless of the efforts on the part of various political forces to undermine our international image, this information should reach every Bulgarian citizen.

Regarding the question we are discussing, namely the question of submitting our requests for land transit to Yugoslavia, we should understand our country's crucial responsibility in this respect and at this very moment.

The negotiations that are currently being conducted in connection with settling the crisis in Yugoslavia contain many unknowns. It is, however, certain that the sanctions will be preserved, at least for some time. Hence, it is exceptionally important for us to cooperate with the international community, especially with the decisive factors. [end recording]

Minister Matinchev Defends Cabinet's Record

AU2911164293 Sofia VECHERNI NOVINI in Bulgarian 22-23 Nov 93 p 7

[Interview with Evgeni Matinchev, deputy prime minister and minister of labor and social welfare, by Simeon Danevski; place and date not given: "Government Is Beginning Its 'New Term of Office' With a New Program"]

[Excerpts] [passage omitted] [Danevski] Mr. Matinchev, charges have been leveled against you that in your work as minister you have failed to pay sufficient attention to social insurance for the population. What would be your defense to this?

[Matinchev] I find these assertions really amusing, because they are simply untrue. Another reason why they amuse me is that these accusations are made by people who today are presenting claims in the social sphere after having done absolutely nothing in this field when they were in power. Their year in office will only be remembered for the fact that it laid the basis for the ruinous situation in the social sector. Although last year they tried to effect an updating of pensions, the draft that they produced was the most unsuccessful legislative document. They failed to submit to the National Assembly any law relating to the social problems, whereas the present government has submitted the Employment Act and Social Insurance Act, and we are now in the process of preparing a pensions bill. It is very easy for the SDS [Union of Democratic Forces] to reprimand and criticize Professor Berov's cabinet, despite the fact that the cabinet has a program and, more important, the basic, fundamental points of this program are being implemented. If anyone conscientiously reads and analyzes this program, he will see that almost 90 percent of its contents are being carried out in the form of principles and criteria. [passage omitted]

[Danevski] Where are you to find the money to make the promised compensation payments? This is one of the charges made against the Berov cabinet.

[Matinchev] The cabinet will do everything possible to ensure that this money is paid. I will say straight out: This is not even a problem for us. So far we have made three indexations, and the money was always found. In contrast, the former cabinet only indexed wages, pensions, and allowances once, and this was not because prices were lower then and the people had more money, no, not at all. It was simply because the funds were retained God knows where. We even made an indexation for a period during which the Filip Dimitrov government was in power—our predecessors left us with this problem. However, many people have short memories for these facts, that is why it is necessary to remind them more frequently. [passage omitted]

[Danevski] The government that you represent as deputy prime minister has won a further vote of confidence. Do you predict that this cabinet will survive for a longer time?

[Matinchev] It is difficult to make such a prediction. Most of all, it all depends on whether any concrete result is achieved in the economy. This is the essential cornerstone on which the whole of our political and economic life will rest in 1994. Much depends on how privatization proceeds. When the government assumed power at the end of 1992, it promised to be a government of privatization. They say we have done nothing. This is an absolute lie. The cabinet has privatized a considerable number of enterprises and prepared several dozen others for privatization; these will be denationalized in 1994. Some things do not happen just like that; decisions cannot be implemented in a trice. We could achieve a lot more if we had the foundation that the former cabinet enjoyed, but we had to start on an empty playing field, right from the very beginning.

It is vital to halt the decline in material production. This year the rate of decline is much less than in 1992, but the

decline is still continuing. This process must finally be brought to a halt, and this may happen during 1994. In 1995, if all goes well, production may start to revive, albeit slowly. This is what a number of international institutions that specialize in economic forecasting predict will happen.

All the problems that I have mentioned may prove fatal for any government, including ours, of course. However, I hope that 1994 will bring the cabinet much greater success. [passage omitted]

Presidency Staff Members Protest Media Campaign

AU2911191893 Sofia Khorizont Radio Network in Bulgarian 1700 GMT 29 Nov 93

[Text] An announcement from the Presidency's press center reads as follows: The staff members of the president of the Republic of Bulgaria reject the allegations of the newspapers belonging to the 168 CHASA Press Group, according to which the president's staff is exerting censorship over the Bulgarian National Television programs, and insist that the newspapers which published this slanderous attacks should apologize publicly.

SDS Leader: Cooperation With DPS 'Unlikely'

AU3011171493 Sofia BTA in English 1421 GMT 30 Nov 93

[Text] Sofia, November 30 (BTA)—The strategic goal of the ethnic Turks' Movement for Rights and Freedoms (DPS) is different from that of the Union of Democratic Forces (SDS) and any close cooperation looks unlikely, said SDS leader Filip Dimitrov today following a regular meeting of the SDS National Coordinating Council (the central decision-making body). The meeting discussed the Second DPS National Conference last weekend and statements of DPS leaders on improving relations with the SDS. "Our roads lead in opposite directions. They would preserve this parliament while we sponsor elections, they would form a new Berov-style cabinet while we believe this parliament has used up its capacities," said Mr. Dimitrov.

The Executive Bureau of the Supreme Council of the Bulgarian Socialist Party (BSP) and the leadership of the BSP-led Parliamentary Union for Social Democracy at its regular meeting today did not discuss the results of the DPS national conference, as the party sees other economic and social issues as more crucial, BSP leader Zhan Videnov told a briefing here today. According to him, these results had been expected and do not call for particular interpretations. Mr. Videnov sees as extremely unrealistic and having almost no chance to succeed the DPS initiative to contact the BSP on specific occasions in parliament while making efforts to renew its strategic alliance with the SDS. On the other hand, the BSP believes it is possible to improve interaction among MP's willing to take responsibility for government, along with the central and local authorities, he said.

Fatherland Party Official on 'Flirting' With DPS

AU3011200493 Sofia BTA in English 1738 GMT 30 Nov 93

[Excerpt] Sofia, November 30 (BTA)—[passage omitted] This evening Mincho Minchev MP of the Fatherland Party of Labour of the BSP [Bulgarian Socialist Party]-led coalition warned a press conference it was high time state institutions stopped flirting with the DPS [Movement for Rights and Freedoms], as Bulgaria, in his words, was on the brink of becoming a second Bosnia. Minchev quoted a statement at the DPS conference by [DPS Leader Ahmed] Dogan who said that "neither the president, nor the government, nor the National Assembly can stand in the way of DPS policy in the western Rhodope Mountains area and that if someone tried, they could trigger a chain reaction, so rapid that Europe would have to read Balkan history for a long time, if it tried to help Bulgaria."

Speaking on behalf of the Fatherland Party of Labour leadership, Minchev sharply protested against another Dogan statement, which said the latter's party was "not national, but ethnic-based, and why not Turkish." This shows that DPS is at variance with the Constitution, said the MP.

According to Minchev, Dogan sent an open challenge to Bulgaria, with whose government institutions he played like a cat with a mouse.

Deputies Urged To Find Necessary Funds for Army

AU3011091493 Sofia KONTINENT in Bulgarian 25 Nov 93 p 6

[Konstantin Subchev commentary: "Army Does Not Deserve This Fate"]

[Text] The rumor about the resignation of Army General Lyuben Petrov, commander of the Bulgarian Army General Staff, has been officially denied. However, as they say, there is no smoke without fire.

The army's problems are so grave that it is normal that they evoke differences of opinion and disputes among its leaders.

The Bulgarians cherish their army. Because of this attitude, within a short period of time after the liberation an excellently trained and equipped army was formed. It has not lost a single flag in the five wars in which it has taken part.

Today Bulgaria's politicians appear to be close to doing what enemy armies could not. As a result of their irresponsibility, the army today is to be reduced to approximately the size of a reinforced police force that carries out internal duties.

The shortage of funds is the basic justification that the Bulgarian politicians cite. This is logical, but not when the army's fate is in question. After all, the army is the

basic component of national security. Yet, since 1918 our soldiers have never been as hungry as they are today.

Therefore it is imperative that for one moment the National Assembly members relinquish their party manner of thinking and rapidly adopt the necessary laws that would guarantee the army's status and organization and find the funds it needs. Otherwise, it would appear that they have decided to transform Bulgarian soldiers into the night watchmen at party clubs.

Officers Legion Leader on Dealings With Ministry

AU2911174893 Sofia BULGARSKA ARMIYA in Bulgarian 23 Nov 93 pp 1, 3

[Interview with Major Rusi Gochev, president of the Rakovski Officers Legion, by Major Valeri Nikolaev; place and date not given: "Via Social Activity Toward Mutual Trust"]

[Text] [Nikolaev] Major Gochev, how would you define the main line that the Rakovski Legion leadership has followed during recent months? Can we speak of any change in tactics in your defense of servicemen's professional and social interests?

[Gochev] During the last period our leadership's goal has been to escape from the state of depressed social activity and to state the painful problems of the officer corps to the Defense Ministry leadership quite openly and frankly. After analyzing and systematizing the problems, we decided to present them either to the defense minister or to the chief of General Staff as appropriate, depending on their spheres of competence.

[Nikolaev] Last month you met with Army General Lyuben Petrov, chief of the Bulgarian Army General Staff. What were the main issues that you examined?

[Gochev] We reached the common view that important interests of servicemen should be protected by other laws, in addition to the Defense and Armed Forces Act, that should be adopted in the future—I mean the bill on higher education, the health insurance bill, and so on. We took note of the fact that we had gained experience in working together when we cooperated in preparing the Defense and Armed Forces Act.

The main topic that we discussed was the issue of cadre policy. We agreed that the current procedure for the assessment of officers is unsuitable and allows much subjectivism to creep in. We noted that work will start on drafting a new procedure under the supervision of the defense minister, and that the General Staff and the Rakovski Legion are to take an active part in the drafting work.

We informed the chief of General Staff of our view that representatives of the legion's club should attend meetings at which the service position of club members is discussed. In the main, he accepted this proposal.

[Nikolaev] Did you reach common views on the social problems in the army?

[Gochev] Our views completely coincided on many points. We obtained support for our request that the legion's club in each unit and the chairmen of the clubs in each garrison should be represented on the garrison housing commission, and that our representative should also sit on commissions for allocating rest and recreation vouchers.

The chief of the General Staff told us of the problems encountered in implementing the reforms in the army. They include lack of money and the absence of basic laws and regulations. The army needs the following documents: a national security doctrine, a military doctrine, a law on participation in peacekeeping missions, codes of regulations for personnel work and the recruitment service, and regulations for officers' service. It was pointed out that the Rakovski Legion wants to take part in the drafting of these documents.

[Nikolaev] On 23 November (today) the legion's leadership is due to meet Defense Minister Valentin Aleksandrov. What topics will you discuss with him?

[Gochev] First of all, we intend to present our assessment of our joint work, pointing out both the positive sides and the points that disturb us. We will ask that the legion participate more actively in the work on resolving servicemen's professional and social problems and that he should issue an order detailing the basic premises for this joint work. We will insist that the remainder of the housing stock that has not been sold should be allocated among the officers and sergeants who have graduated from military schools and that they should be reimbursed part of the cost of renting accommodation in the free market. We will raise issues connected with personnel policy, the allocation of rest and recreation vouchers, further improvements in selecting officers sent on language courses and for training abroad, and will ask that the legion's experts should participate in the drafting of basic regulations. We will also ask to be given Defense Ministry premises for use as offices, and for members of the legion's leadership to be allowed unpaid leave to carry out our organization's work.

Commentary Sees 'Gathering Storm' Over Macedonia

AU3011091893 Sofia KONTINENT in Bulgarian 25 Nov 93 p 6

[Maksim Bozhilov commentary: "Sofia and Skopje Must Reach Agreement"]

[Text] The visit of Macedonia's Foreign Minister Stevo Crvenkovski will last only one day. However, many things can be achieved even in a single day, if the two sides are thoroughly prepared.

Sofia and Skopje have many things to discuss, first as the two states that have definitely been mostly affected by

the UN sanctions against former Yugoslavia. Many things have been said about regional initiatives related to obtaining compensation, but so far everything has remained in the realm of wishful thinking.

Despite the "neutral" position that Sofia has assumed in the dispute between Athens and Skopje about Macedonia's name, the issue remains open. For the time being the Bulgarian authorities prefer the well-known position of the ostrich, but this will hardly protect them from the gathering storm. It is high time a categorical opinion were expressed, because Bulgaria borders both states and must have clear relations with both.

Trade and economic relations are at a pitiful level for neighboring states, and the government should have done something to stimulate them a long time ago.

Discussing rather than avoiding the disputed problems will clear the air and put relations between the two neighbors on a worthy footing.

Comparison of Zhelev Making Military Appointments

AU3011104993

Sofia KONTINENT in Bulgarian on 27-28 November on page 2 carries a news item on President Zhelev's appointment of new generals. This version has been compared with the Sofia Khorizont Radio version published in the 29 November East Europe DAILY REPORT, page 6, revealing the following variations:

Column two, paragraph three, only sentence make read: Major General Ivan Binev is appointed deputy.... (removing brackets, confirming name)

Paragraph five, only sentence, make read: Major General Ivan Parapunov is appointed commander.... (removing brackets, confirming name)

Paragraph six, only sentence make read: Major General Aleksandur Ermenkov, chief of the Engineering.... (correcting first name)

CTK Issues Text of Klaus' Congress Speech

AU2911133593 Prague CTK in English 1754 GMT 27 Nov 93

["Text of Vaclav Klaus' keynote address to ODS congress—excerpts"—CTK headline]

[Text] The preceding 12 months have had two underlying themes which represent a fundamental dividing line. First, a persistent continuation of the process of dismantling the communist regime and creating a system of pluralistic democracy, and second, the strengthening of the newly created independent Czech Republic.

The Czech Republic has extricated itself very quickly from the spell of communism and is becoming a normal European country with a range of accomplishments we can be proud of. The division of the joint state, which we did not want and did not initiate, is a thing of the past, and the opposition's attempts to drag it into today's political discussions are spurious and hypocritical. The ODS [Civic Democratic Party] did not contribute in the slightest to breaking apart the common state, but the ODS can take considerable credit for the fact that the division proceeded as it did, without a repetition in our own country of the unfortunate events in the Balkans and Caucasus, and that our country (and Slovakia as well), can now move on without hesitation.

We overcame the opposition's attempts to drive a wedge between us, and we did not allow the difficult situation—during our efforts to preserve the stability of the new Czech state's institutions while simultaneously preserving the political power of the legitimately elected deputies of the Federal Assembly—to be turned against us to our disadvantage. In this situation, I had to place the interests of the whole above the interests of the parts. I had to choose the peaceful and conflict-free functioning of the Czech state.

The 1992 elections led to the creation of a coalition government and a relatively complicated balance of power in parliament. It would be a lie to pretend—to ourselves, to our voters, to our coalition partners, and to all citizens—that the Czech Government coalition is ideal or without disputes.

I believe that the coalition is cemented in its joint effort to continue the transformation of our country, and that the opinions of its individual members do not diverge too far from its goals, nor from the logic and order of the fundamental steps toward transformation. The intellectual weakness and even sterility of our opposition, however, means that any kind of similarity or unity of opinion will appear only sporadically, and then primarily in constructive talks with the government. This unity nevertheless exists, we are well aware, and for this reason we call upon our coalition partners as well to make a clear declaration along these lines.

The government coalition, however, is not cemented in something else. Some kind of very premature pre-election fight over percentages or millipercentages of citizen preferences is taking place. This is unfortunately something which politicises or personalises the solution of ordinary daily problems. This means big complications, and for this reason I would appeal to our coalition partners to change this destabilising method of coalition cooperation into a temporary acceptance of the status quo and into individual efforts to work as well as possible in the offices each person received in the coalition agreement.

Leftist rhetoric has been evaporating of late, and it appears the left has no chance of success in our country. But ideologically more dangerous at present is the non-radical leftist rhetoric, which employs more subtle arguments—now about protection and regulation of the market, another time about protection of consumers, later about the public interest, or about state (or public) regulation of the most varied processes. This is rhetoric which indeed enthuses outwardly over principles similar to those we stand behind, but which slips in an entirely different content.

Even more dangerous, however, is another type of radical leftist rhetoric which tries to pretend it is speaking from the right while inserting a certain confusion into our still non-definitive political system.

A revolutionary situation always brings numerous personal hopes and ambitions into the new order. It is impossible for all these ambitions to be satisfied. Thanks to this, a group of dissatisfied fundamentalists is emerging on both the right and the left.

It is necessary to prevent the past from determining negatively our every step. It is necessary above all to have a clear programme, to speak always about specific problems, and to be aware that we must all come to terms with the past within ourselves. An exaggerated reaction to the ghosts of the past can lead us to defend ourselves against non-existent dangers while ignoring dangers that are real, that are new and not inherited.

It seems to some people that the reforms are ending and that thanks to this a political vacuum is coming into being. The reforms are ending, however, only in a strictly limited sense: The operation is concluded, but the patient has not yet recovered. At this moment the patient is more inclined to take false steps than if he were still lying anesthetised on the operating table. For this reason, ideological conflict and the other process of this country's recovery are by no means over. The ODS is not letting the patient out of sight for a moment, and if some kind of vacuum is appearing at all, it is only the intellectual impecunity of the opposition or squabbles within the government coalition. The ODS has no reason to retreat from its ideological position, and nowhere to retreat from or to.

Our election programme obligated us in case of the split of the Federation to ensure the existence and functioning

of the Czech Republic. This it has achieved. The Constitution of the independent state was passed and the legal continuity of the Czech Republic was ensured by means of democratic legal developments. One requirement of the campaign programme—to lay emphasis on clearly separating the legislative, executive, and judicial powers—was fulfilled by the Constitution. The Constitutional Court and the Supreme Inspection Office were established. A fundamental step was also taken with the transformation of the prosecutor into a state office.

It was, is, and will remain a problem to fulfill the campaign promise to build a stable and effective state administration. The ODS justifiably and repeatedly raises its demand to narrow the state administration and fill it with people who are of high quality, unimpeachable, and morally clean. The ODS will push for this persistently in future discussions on the state's territorial administration.

We took a giant step forward with the effectuation of our economic programme. Through a responsible macroeconomic policy we have created—compared to all other post-communist states—highly stable macroeconomic conditions for both domestic and foreign entrepreneurs and for domestic consumers. The rate of inflation is the lowest among the postcommunist economies. The exchange rate of the Czech crown has been stable for 35 months. We have continued to liberalise prices, and with the exception of Japan and Luxembourg, we have the lowest level of unemployment in the world.

Privatisation has been our key task in this period. In our situation, privatisation had to be rapid, but at the same time responsible. For this reason we have been laying emphasis on voucher privatisation. Privatisation has been a powerful impulse for the creation of a capital market as well. Privatisation has helped create a class of small and medium private entrepreneurs and the moderate situation we need in the interest of political and economic stability. Just how far we have come with privatisation is testified to by the numbers which show that today about 60 percent of the gross domestic product is produced by the private sector.

In the area of economics we are rapidly approaching our post- transformation tasks, because we have mastered the tasks of actual transformation—macroeconomic stability, liberalisation, deregulation, denationalisation, and principled, fundamental privatisation—faster than other countries, and we are approaching their conclusion. Privatised property, however, does not always wind up in hands that we like. Nothing remains but to follow resolutely the path of law and take care that the laws are not violated.

The election campaign of the ODS in the area of foreign policy considered it essential to overcome both the lack of concept of our foreign policy and the misplaced experimentation of the immediate post-November period. This goal has been reached. Our foreign policy has become unambiguous, especially insofar as we have rejected the role of bridge between East and West, and has resulted in the basing of our foreign policy doctrine on state interests. We must adopt fundamental European values, and above all we must redefine our national interests.

Our overriding goal remains a full and mutually beneficial connection to the Western world, which for us is a natural result of our common values. The immediate goal of our foreign policy is an institutionally grounded integration to Europe and effective security associations. We are seeking a new quality of relations to all of our neighbours, especially Germany. Relations with Germany today are not exactly ideal. Nevertheless, we believe that a reasonable, consensual position is achievable even in this matter.

One of our most important foreign policy activities is our fight against Western Europe's protectionist tendencies.

The election programme of the ODS regarding agriculture and the countryside was founded upon an emphasis on reviving ownership relations toward land and other agricultural property by means of completing restitution, transforming agricultural collectives, and privatising state property. Many things have been done, but it is necessary to say that agriculture still finds itself in the middle of dramatic ownership and transformational changes.

In this situation, the ODS must insist upon a thought-out reform policy, based upon a combination of completing privatisation and transformation and finding a reasonable form of agricultural support. For this reason we cannot agree with a number of unilateral demands by certain groups of farmers. We cannot accept the idea of the state taking over responsibility for agricultural production and its effectiveness, or of the state budget covering losses caused by incomplete reforms in this area rather than agricultural specificity.

In the area of social welfare we set two fundamental goals: To preserve at least an elementary societal consensus and to draw attention to those really in need.

We know very well that the success of economic transformation efforts depends on societal consensus. Compared to the other post- communist countries, our situation in this field has been thus far extraordinarily favourable. We managed to reject resolutely the misconceived idea of a social market economy and to defend the concept of a market economy and a directed social policy which is not part of the market, but its supplement.

The first steps have been taken in toward considering the family the dominant unit for social needs, which is our intention. We are proceeding in a direction which facilitates growing feelings of responsibility for one's own future.

In recent months, thanks to the ODS in particular, there has been a considerable acceleration of health care

privatisation. At present some 10,000 private doctors have been registered in our country.

It is in the sphere of health services that the problem of continuity and discontinuity is very serious and where no mistakes may be made. In my opinion, no fundamental error has been made. Despite this, criticism from all parties, and to a certain extent also from ODS ranks, was targeted on health care in the first half of the year. Aware of the fact that the minister is not the only person responsible for health care as a whole, the ODS leadership found out that an irreversible loss of credibility had occurred, with no apparent way to get it back except dismissing the minister.

I am convinced the decision taken was correct and that the situation in health care has stabilised.

Past months have confirmed that the items in the ODS programme concerning environmental protection were correct. It is necessary to reject the problematic viewing of the environment in the absolutist way, that is, prior to all other fields.

It is especially in this sphere that long- and short-term tasks ought to be put on an equal footing. Due to the legacy of our recent past, we consider it essential to put emphasis on immediate measures of first aid for the environment so as to lower the impact of environmentally harmful substances in the most endangered regions.

We stress that, besides a legislative framework based on restrictions, the main prerequisite for a good environmental policy is the expansion of a normal market environment with its positive impact on the energy-saving behaviour of the economic entities.

As regards the sphere of education and science, it can be expected generally that our election manifesto will be more or less implemented in the current election term. Partial stages, however, are the subject of sharp controversy and only the timeliness and effectiveness of individual transformation steps can be justifiably criticised.

Undoubtedly, several concrete steps have not yet been completed, but there is no reason to give in to panic and hastiness. We see the problem mainly in the capability of the ministry to administer the field as a whole.

From the viewpoint of cultural development, it cannot be said that anything has happened in contradiction to our election programme. Our emphasis on individual responsibility, non-state sponsorship and unambiguous specification of what the state should ensure, is being implemented, and all factors indicate that our culture is going through an exceptionally favourable and fruitful period.

Although the Culture Ministry is in the hands of our coalition partner Christian Democratic Party—KDS, the ODS also bears its share of responsibility. A certain ministry passivity is causing considerable problems which should be dealt with by our representatives in the parliamentary committee. In the long run, it is clear that the Culture Ministry should not be maintained as an independent ministry, but in the short- and medium-term it is necessary to ask for considerably more activity, particularly in the area of legislation.

Much criticism from the ODS ranks is being directed toward the mass media. It is necessary to differentiate, however. Mass media as a whole are neither better nor worse than all of us. The collapse of the monopoly of the biased mass media has long been a reality. But the situation is worse in the sphere of political reporting, where television, the news agency and some regional newspapers still have monopolies.

Quite often we are annoyed at the news coverage concerning our country, government and parliament. We are bothered by its incompleteness, non-objectivity, lack of verification and imbalance. Our election programme can be put into practice only provided that a new relationship between the Czech Television and Czech Radio councils and parliament is established and the duties of the subsidised mass media codified in a law.

Individual responsibility should be applied in the mass media, and therefore we appeal to all employees to report on a subject only when he or she really knows a sufficient amount of information about it. The responsibility of the mass media is not less than that of politicians.

In the security area we have witnessed a very complicated development. The ODS is well aware of the fact that the complicated security situation in the post-November period is an accompanying, inevitable phenomenon of our transformation process. We have succeeded in formulating an internal security policy, just as we have a concept for the Interior Ministry and the doctrine of the Czech Police. We have managed to restore citizens' trust in police, to put the activity of intelligence services on a rational basis, to deepen effective international cooperation, etc.

However, we have failed to tackle the increase in crime. These matters are very complicated, and stability in the area is just now producing the first fruits.

The ODS election manifesto is being successfully implemented also in the area of military strategy. The split of the former Czechoslovak Army into armies of the two independent Czech and Slovak states was not accompanied by any conflicts, a concept for the expansion of the Czech Army until 1996 has been accepted, a new redeployment of troops has been carried out, and the number of soldiers and the amount of military equipment is being gradually lowered.

Analysing the situation in the ODS, I am convinced that the ODS has consolidated in the past year. The words of our enemies, critics and opponents, who would like to see a rift in our ranks with many factions coming into existence, have not been fulfilled.

At last year's congress, we elected a new ODS leadership, new deputy chairmen and a new Executive Council. From my point of view, this helped improve our work, particularly from a conceptual standpoint.

For the future, I consider most important a continuance of economic transformation, maintaining our basic strategy, seeking stable relationship with our government coalition partners, and preparing well for next year's communal elections. If elections to the senate are held, it will be our task to select an optimal group of 81 candidates who will give this institution the content it deserves and will not be a source of new friction in the political system.

It is necessary to resolve the problem of state administration and to seek an optimal way of resolving the role of territorial administrations based on the widest possible decentralisation of decision-making and its transfer to the community level. We consider this a task which will not be settled through the formal determination of a limited number of regions, nor by electing deputies to their local governments.

In saying this, I do not have in mind a loose parceling of our state. I am thinking rather of decreasing its homogeneity and consequently its operability. Our great advantage is that the Czech Republic is a homogeneous entity from the point of view of nationality, economics, social welfare and culture, and it would be a big mistake to introduce artificially some new type of homogeneity. In saying this, I do not mean to ignore the cultural and historical specialness of Moravia within the Czech state, nor to limit the space for a healthy Moravian identity.

Debate on the restitution of church property should be brought to a conclusion in a reasonable fashion. It is necessary to proceed from the fact that it is a process of coping with some property crimes committed under the communist regime, and that he who is returning some property today is not a communist functionary of the 1950's, but a Czech citizen of the 1990's.

KDU-CSL Chairman Criticizes Klaus Statement

AU3011093293 Prague CTK in English 1903 GMT 29 Nov 93

[Text] Prague, Nov 29 (CTK)—No party can appropriate the results attained thanks to the sacrifices made by all citizens, Chairman of the Christian Democratic Union-Czechoslovak People's Party (KDU-CSL) Josef Lux said today.

He was reacting to the weekend conference of the strongest Czech party, the Civic Democratic Party (ODS), at which its chairman Vaclav Klaus emphasized the positive role of his party in the Czech Republic's developments.

Klaus said: I am convinced that by its stand on both topics (continuing the process of dismantling the communist regime and creating a system of political plurality democracy and a system of market economy, and strengthening the independent Czech Republic—editorial note) the ODS distinguishes itself essentially from the whole Czech political spectrum, that it takes (and has always taken) the most consistent stand, that it does not pursue the short-sighted policy of politicking and scoring cheap points in the imaginative popularity ratings of individuals or political parties, that it is aiming at the whole, not at the loss of the whole by meeting the wishes of one or another pressure group of citizens. In this we see our immense responsibility towards the whole country, and I believe—and all methods of public opinion poll evaluation confirm it—that a significant part of our public realizes this.

In his statement given to CTK, Lux said: To see the relatively good situation of the Czech Republic only as a result of the work of one party, or even of more parties, would be erroneous and it does not correspond to reality. Nothing would be attained without the willingness of a majority of the population to make sacrifices on the demanding road of transformation from the old regime.

The substantial progress in the transformation of the economy and the state is undoubtedly due to all democratic forces, and especially the present government coalition, Lux added.

The government coalition comprises the ODS, the KDU-CSL, the Civic Democratic Alliance (ODA) and the Christian Democratic Party (KDS).

Zieleniec Views NATO With Slovak Counterpart

AU3011142593 Prague CTK in English 1236 GMT 30 Nov 93

[Text] Rome Nov 30 (CTK)—Czech Foreign Minister Josef Zieleniec, attending a Conference on Security and Cooperation in Europe (CSCE) meeting here, today met with his Slovak counterpart, Jozef Moravcik to discuss the two countries' approach to security questions in the framework of the Visegrad Group (the Czech Republic, Slovakia, Hungary and Poland), Czech Foreign Ministry Spokeswoman Lucie Pilipova told CTK.

During a short meeting, the two ministers paid attention above all to the U.S. Partnership For Peace project for the new democracies in Central and Eastern Europe which are seeking to join the North Atlantic Treaty Organisation (NATO).

The two countries' approach to these questions is similar, Pilipova said, adding that the coordination of action within the Visegrad Group had been discussed by the two ministers in detail.

The ministers also took up some bilateral questions, above all those which complicate to a certain extent the good neighbourly relations between the two republics, Pilipova said, giving as an example questions concerning the division of former federal property which have not yet been settled.

WEU Special Permanent Observer Status Obtained

AU0112064293 Prague CTK in English 1856 GMT 30 Nov 93

[Text] Paris, Nov 30 (CTK)—The participants in the 39th assembly of the Western European Union (WEU) decided today to grant the Czech Republic special permanent observer status. Before the Czech Republic cooperated with the WEU only within the consultancy forum.

The confirmation of this decision by the WEU supreme body, the council, will be a mere formality, a WEU press official told CTK today.

The status of special permanent observer without the voting right was also given to Slovakia, Bulgaria, Estonia, Hungary, Lithuania, Poland and Romania.

The WEU 39th assembly is to decide by Thursday [3 December] about France's and Germany's proposal to provide the Central European countries, associated with the European Community, the status of WEU associate member as well.

The WEU is the only European organization with powers in the security field. Based in 1955, it comprises great Britain, France, Belgium, Luxembourg, the Netherlands, Italy, Germany, Portugal and Spain.

Latvian Defense Minister Ends Visit

AU0112064593 Prague CTK in English 2020 GMT 30 Nov 93

[Text] Vyskov, South Moravia, Nov 30 (CTK)—The Latvian Defense Minister Valdis Pavlovskis expressed interest in the possibility of Latvian students attending the military school at Vyskov during his visit to the school this afternoon.

Concluding his three-day visit to the Czech Republic, Pavlovskis said that if the country were attacked no other country would defend it and therefore the country needed to prepare its defense now.

Yesterday Pavlovskis signed an agreement with Czech Defense Minister Antonin Baudys concerning Defense Ministry cooperation. The Czech Republic has offered Latvia military technology and assistance in training. The agreement also envisages cooperation between officers during military exercises and the exchange of expertise in the creation of army security doctrine.

Havel Backs Quick Solution on Jewish Property

AU3011180593 Prague CTK in English 1535 GMT 30 Nov 93

[Text] Prague, Nov 30 (CTK)—Czech President Vaclav Havel has supported a quick solution to the question of Jewish property restitution, secretary general of the World Jewish Congress Israel Singer told journalists today.

Singer discussed the question with Havel in Prague today.

Jewish property started to be confiscated from the Jewish communities and physical persons as early as 1939, following the Nazi occupation of Bohemia and Moravia. Therefore it does not fall within the law on restitution which sets February 25, 1948, when the communists seized power in Czechoslovakia, as the deadline before which no property restitution is possible.

Czech parliamentary committees are currently discussing a deputies' bill on Jewish property and easing some property wrongdoings committed against Jewish physical persons.

Foreign Minister Josef Zieleniec has said that the absence of a similar law was causing certain diplomatic problems.

The author of the bill, Viktor Dobal from the government coalition Civic Democratic Party (ODA) estimates that the bill could be dealt with by parliament in February next year.

The World Jewish Congress was established in Geneva in 1936 as a secular organization mobilizing Jews against Nazism and anti- Semitism. It associates some 12 million Jews from about 70 countries.

Meciar on Principles of 1994 Budget

LD3011173293 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1100 GMT 30 Nov 93

[Excerpts] [passage omitted] Prime Minister Vladimir Meciar has briefed deputies on how the government had arrived at individual figures in the state budget. This is exactly what we would like to ask Prime Minister Meciar about. He joined us a while ago.

[Begin recording] [Correspondent] Prime Minister, there was a lot of criticism recently, claiming that the drafting of the budget lacks certain logical principle, the key that you have used to allocate [financial resources].

[Meciar] Every year that we live now is unique. The year 1993 was unique because we started building [our own] state, we moved to a new tax system, and we adopted a new system of budgetary rules and we started to develop the management of funds [fondove hospodarenie]. This will not be repeated again.

Therefore, the 1994 [budget] is put on a different footing. Its philosophy is based on the fact that the trends toward stopping the economic decline should be maintained. Hence, the budget envisages a zero growth. I shall explain this concept.

According to all forecasts, the economic decline should continue and it should be in the range of between 3 to 5 percent [as received]. However, we want to keep the level of revenues the same as 1993, namely as in the period from March or April to September, for which the actual data on state revenues are known. These data should become our starting point. The first quarter of the year, when we amassed a deficit to the value of 11 billion [currency not specified], is unique in that we were launching the new tax system. The deficit shot up as a result of these changes. This means that we are not going to consider this deficit any more.

The year 1994 is unique in a different way. We shall move, for the first time, toward a [National] Insurance Fund and to the Employment Fund. It means that the state will have at its disposal a smaller amount of money than last year, since these funds will be managed independently of state. However, January's money will begin to arrive in these funds in February only. Still, these funds will have to exist in January and the state will have to guarantee their activity. [passage omitted]

In comparison with 1993, we propose to allocate more [finance] to the Army and security sector. However, in all other sectors we have to address the relation between restriction and deficit. [passage omitted]

[Correspondent] Does the state budget allocate any money to radio and television as public institutions. If yes, how much?

[Meciar] There is no proposal for state subsidies for these institutions. First, it seems to us that the resources have not always been used rationally in these institutions. Second, these institution are proclaimed as public-legal institutions. As for 1994, the government may approach these institutions as a contractor, a body that will commission certain programs, or may decide to release certain finances from the government reserves or surplus revenue to the budget. [passage omitted] [end recording]

Meciar Assesses Government's Economic Record

AU0112104093 Prague HOSPODARSKE NOVINY in Czech 29 Nov 93 p 4

[Interview with Prime Minister Vladimir Meciar by Oldrich Zabojnik in Bratislava; date not given: "Czech-Slovak Relations May Assume Their Final Shape as Model Ones"]

[Text] Prior to the close of the Slovak Republic's first year as an independent state, Prime Minister Vladimir Meciar granted an interview to HOSPODARSKE NOVINY's Bratislava correspondent.

[Zabojnik] Last summer, during the ceremonial presentation of your government, you told HOSPODARSKE NOVINY that the measures applied to deal with the economic tasks will determine its success or failure. How do you view its position now?

[Meciar] In 1992, the subject of the conditions for statehood and for jurisdiction in making our own decisions about ourselves and also in international relations was the primary political maxim. The way in which this was resolved is accepted by the world and the Slovak Republic is an internationally recognized state. We had to assess very rapidly all the aspects of economic reform in connection with the conditions acceptable for Slovakia. We openly declared that we are transferring from a restrictive policy to a neutral monetary policy and that we are interested in internationalizing our policy, stabilizing our markets, redirecting our prospective foreign trade from the East to the West, introducing and stabilizing our own currency and foreign currency reserves, and continuing privatization and the other macroeconomic measures aimed at the creation of a market environment. All of this is continuing in Slovakia. 1993 has been a year of applying the brakes, slowing down, and halting the decline of the economy. 1994 should be a year of turning from decline toward stabilization and recovery. At the moment, everything is prepared in such a way that I believe this program will be fulfilled.

[Zabojnik] Your government and you personally are constantly being attacked by the opposition for not having a purposeful economic policy. According to them, economic movement is more or less spontaneous.

[Meciar] They say what we do not have, but they do not say what they do not have. This merely involves negating development without creating new elements for this development. Unfortunately, this bothers me, because it is criticism for criticism's sake. I would agree with their arguments if they were accompanied by realistic criticism of the government's steps oriented toward an analysis and from it toward an alternative, which is also lacking. For me, it is

important that the government's economic policy is legible to the experts. The lay element current in politics—and sometimes also party interests—is leading to an absolute negation of everything we are doing. In Slovakia there is at least one party that patently bases its course of action on the principle that no matter what this government does, it is always wrong and it is always opposed to it. It is possible to have such a "program."

[Zabojnik] Some members of your coalition partner, the Slovak National Party [SNS], do not even try to conceal their criticism of the government's economic policy. For example, SNS Chairman Ludovit Cernak says that the Movement For a Democratic Slovakia [HZDS], by attempting to have a participatory economy, is embarking on some kind of third way. What do you say to this?

[Meciar] What is this third way? Does it even exist? Seeking a third way as an alternative was topical during the existence of two systems. Today there is one system based on the principles of democracy and humanism, liberty and the free market, and social justice and social partnership. Seeking a strategy, the progressive nature of the steps to be taken, and a timetable for them is a matter for each state. If, of course, doubts are not cast on the aims it is oriented toward. However, it must always proceed from realistic possibilities and from the real resources that it has at its disposal. If we leave aside the mundane proclamations and turn to an assessment of our specific course of action, then there are not many alternatives, even for those who criticize us.

[Zabojnik] You obviously agree that privatization is a prerequisite for the future course of transformation. This, however, is not proceeding too smoothly and some people from the opposition are looking for the causes in you personally. They add that privatization is apparently being conducted in such a way that an economic-political oligarchy may evolve in Slovakia that could reinforce its power materially for decades. For how long will you oversee a privatization policy that is subject to such criticism?

[Meciar] Many issues involved in the concept, legislation, and organization of our policy have been resolved by my arrival in the Privatization Ministry; privatization is assuming a specific shape. I venture to take issue with the critics over several things. Privatization has, undoubtedly, a social dimension. On the basis of arranging ownership relations, we are building a social structure for society and we are creating a middle class for the future.

As you know, the idea of establishing employees' shareholding companies is associated with my initiatives. This means the participation of everyone in privatization and not some kind of financial oligarchy. It is in fact affected by what we are doing. The slowing down phase was accompanied by the search for a new concept and by the formation of assets, because the banks may effectively release 20 billion [korunas], but the property involved in privatization is worth 200 billion [korunas]. Settling relations with the Czech Republic during the period when shares belonging to Slovaks were withheld also had an influence on the course of privatization. That stage is behind us and now we are turning to the search for positive starting points. So far, privatization is proceeding as a strictly public matter; the process is becoming clearer and more transparent. I beg to disagree with the conclusion that privatization will resolve everything. It will not resolve everything. Privatization is merely one of the means for changing the overall macroeconomic framework, but it cannot be the final goal. That has to be changing the overall economic arrangement. Unsuitable conditions will repress private enterprise as much as state enterprise.

[Zabojnik] Christian Democratic Movement [KDH] Deputy Chairman Mikulas Dzurinda maintains that there are still good starting points for Slovakia's turn for the better. KDH Chairman Jan Carnogursky adds that things are still relatively good in Slovakia and that Slovaks will have to have it considerably worse before they—apparently—realize just how badly they voted last year. What do you think about this?

[Meciar] To be honest, I do not pay much attention to the opinions of Messrs. Dzurinda and Carnogursky, because I do not consider them to be competent in this sphere. The outlook for Slovakia in these gentlemen's vision is based on the fact that they are still waiting for a catastrophe. Waiting for this resembles waiting for Godot. When the constitutional legal issues were being dealt with, they said: It will be like another Yugoslavia here. It was not. Then, they said: No one will recognize us. Not even that worked out for them. They continued with their doom and gloom: We will not be able to govern ourselves. We are governing ourselves. Now they are expecting an economic catastrophe. This is another strategic error.

[Zabojnik] So, you are satisfied with Slovakia's economic achievements and situation?

[Meciar] I cannot say that I am satisfied, because such a state of thinking and acting—or, rather, not acting—means stagnation, inactivity, and inertia. We cannot permit anything like this, because we are in a situation where we are accelerating economic movement by all acceptable means. However, I can say that Slovakia's economic base is developing well on the whole. We are managing to stabilize the markets. We have signed an Association Agreement with the European Community. The Central European region is becoming more stable. We are seeking steps toward some of the states of the former Yugoslavia. Markets in the East are stabilizing, while we have reoriented our foreign trade in such a way that, whereas in 1989 we exported only 12 percent of our output to the West, now we are exporting 55 percent. Just last year we recorded a deficit in foreign trade, but this year we are making a surplus for the first time. Our currency may have been devalued by 10 percent, but it exists, it is recognized, and it is stable. From the base that we have, the dynamism of Slovakia's economic development is major and rapid. Therefore, dealing with the attitudes of the gentlemen whom you quoted may be

interesting from the propaganda point of view, but it is simply unnecessary for pragmatic policy.

[Zabojnik] It seems that Slovakia is sometimes confused about the direction in which it is heading—whether toward Western economic and security structures or in the opposite direction toward the East. Is this merely a superficial impression or is something more profound involved here?

[Meciar] We are heading toward European integration; there is no doubt about this. Undoubtedly, we are orienting ourselves toward NATO. At the same time, however, we cannot pretend that this process comes to an end on Slovakia's borders. It continues to the east of us and it is necessary to support there those forces on whom the democratic changes depend. Further, no matter what we do, we cannot lose sight of the fact that 80 percent of Western Europe's energy resources pass through Slovak territory and that our joint guarantees for the smooth nature of this process is, in essence, a service for West Europe. We have to take into consideration the fact that our energy and raw-material dependence on Russia remains. This will continue to a considerable extent. It is also necessary to take future development into consideration when the Russian market will be one of the most interesting ones.

Why should we withdraw from it when Western states and their companies are striving—with great difficulty—to gain a foothold there? The way in which these issues are perceived conforms to the outdated bloc-view of the world. Russia is changing and Europe will unify. I am convinced that Europe will be united from the Atlantic to the Urals, including Russia.

[Zabojnik] The opposition, particularly the economic part, is displaying some anxiety about the preparations for the 1994 Slovak state budget. To what extent is this anxiety justified?

[Meciar] It is completely unnecessary, because the government is not hiding anything, even in this case. The preparations for the budget proceed from the state of the economy and its possibilities. This year we anticipate a deficit somewhere between 16-18 billion korunas, which is the limit acceptable to the International Monetary Fund. We perceive 1994—when all the demands made by the departments, often exaggerated ones, will be roughly 50 percent covered—differently from the budget point of view. We emphasize that it is essential to maintain zero growth, which means generating this year's level of GNP. We will try to stabilize inflation, to limit unemployment to 17 percent, to cease linking insurance to the state budget, and to eradicate the intolerable burden of across-the-board social benefits. Next year we want to begin creating the conditions that would make it possible for us to lay the foundations for recovery in 1996 with an envisaged 4.0 to 6.0-percent increase in GDP. Consequently, next year's budget will be in deficit, but I cannot say by how much at the moment.

[Zabojnik] It is roughly two and a half years since you said in an interview for HOSPODARSKE NOVINY that you appreciate the Czechs' cultured ways, their enterprising spirit, their sense of order, and their skills, but—at the same time—you do not overlook their condescension toward the Slovaks. Have any of these views changed now that there are two new states next to each other?

[Meciar] Czech-Slovak relations have not come to an end; they have changed from domestic to international relations. They offer a more objective view of the two nations' interests and needs and they are continuing to develop. As far as my present feelings and those of Mr. Klaus are concerned, I venture to say that we have ended up meeting each other half way. We said that this will not merely be the division of a state, but that between us—thanks to our closeness and mutuality—we will manage to create a model for the coexistence of two states in Central Europe that could also be accepted elsewhere. Czech-Slovak relations may assume—as they have in the past—their final shape as model ones; I am an optimist in that sooner or later we will return to this.

In Slovakia we have lived for many decades alongside our fellow- citizens of Czech origin. Many of them hold important positions here in education, science, and other spheres and I see no reason why this should not continue to be the case in the future. We value them and I would like to hope that our approach will be reflected in the attitudes adopted toward Slovaks in the Czech Republic.

SNS's Cernak Views Coalition Agreement

AU3011193293 Bratislava SMENA in Slovak 29 Nov 93 p 2

[Interview with Slovak National Party Chairman Ludovit Cernak by Marian Hudec; place and date not given: "Coalition Between Equal Partners"]

[Text] [Hudec] The Slovak National Party [SNS] Central Council had to democratically decide whether a coalition with the Movement for a Democratic Slovakia [HZDS] will give them a chance to become the HZDS's respectable partner, or make them prisoners unable to regain their freedom.

[Cernak] I am a supporter of cooperation between partners. However, some party members wanted to establish a coalition at any price. The SNS Central Council wanted us to become equal partners at the negotiating table. The leadership of our party wanted to stop tension between the Castle [the president] and the government. The same thing applies to the dismissal of Vojtech Bach from his post of prosecutor general, which is to be initiated by the HZDS Club of Deputies no later than December. According to the SNS Central Council, we have not violated any agreements with our partner, not even when the health minister was dismissed. I am sorry that the HZDS chairman and prime minister, Mr. Meciar, is blaming us for it. Our party policy is clear: To honor the Constitution and build a law-abiding state.

[Hudec] Are you going to take appropriate steps against those who conducted coalition talks behind your back and presented you with a fait accompli?

[Cernak] We had an important discussion in the Central Council, and we made our situation clear. I can say that Mr. Sokol and Vrabec will not be given a function in the party during their term, and will devote their time to expert activities. Mr. Andel and Mr. Prokes made a pledge that they would push for the party line approved by the Central Council.

[Hudec] The Council refused to vote on whether Hrnko, Miskovsky, and Uhrik have broken discipline or not, which made it possible that every SNS deputy could vote according to his conscience [sentence as published]. Is there not a danger of dual-track practices in the club of deputies?

[Cernak] We have a clear stand on the horizontal integration of the state administration, privatization, territorial division of the Slovak Republic, and the budget. The Central Council gave us this task. This is the direction our deputies should proceed. I assume that the nearest meeting with our coalition partner will be complicated. We will discuss the Slovak Republic's budget at this meeting. We are also pushing for a solution that would improve the income part of the budget and eliminate the need to cut spending in the education sector.

HZDS Parliamentarians To Support Coalition

AU3011183093 Bratislava NARODNA OBRODA in Slovak 29 Nov 93 p 1

[TA SR report: "Vladimir Meciar: The Movement for a Democratic Slovakia Is Not Built on the Leader Principle"]

[Text] Velky Krtis—On Friday [26 November], at the close of its talks with members of the Slovak Government, the Movement for a Democratic Slovakia [HZDS] club of deputies adopted the following statement:

We, deputies to the National Council of the Slovak Republic associated in the HZDS club of deputies

1. Reject attempts from the outside to break up our club of deputies and express our unity in the determination to implement the HZDS electoral platform;

2. Express support for the Government of the Slovak Republic in the implementation of its policy statement;

3. Express consent with the coalition agreement concluded with the Slovak National Party, which we want to apply in parliamentary practice.

The participants in the meeting also discussed preparations for the communal elections in December 1994, in which, as Vladimir Meciar said, the HZDS wants to be successful and which it wants to win.

At a news conference during a break in the meeting, HZDS Chairman Vladimir Meciar rejected reports that members of the government and HZDS deputies were supposed to swear their loyalty to the prime minister and HZDS chairman. Vladimir Meciar said that this was an absurd invention of journalists and stressed that the HZDS was not built on the leader principle.

Dubcek Accident Reportedly 'Planned in Advance'

AU3011133093 Prague CTK in English 2217 GMT 26 Nov 93

[Text] Bratislava, Nov 26 (CTK)—Independent evidence on circumstances leading to the death of Alexander Dubcek in November 1992 following a car accident points ever more strongly to other causes than Dubcek's driver momentarily falling asleep as the cause cited in court during the inquest, Slovak Radio said today, quoting undisclosed sources.

The new clues proved the accident had been planned in advance, Slovak Radio said.

The parliamentary Security and Petitioning Committee wants to put forward a proposal to create a Dubcek accident investigative commission. The proposal was initiated by Dubcek's Social Democratic Party in Slovakia (SDSS), where he was a chairman. The committee will recommend that a similar commission be created by the Czech Parliament, Slovak Radio said, adding that the Czech Social Democratic Party (CSSD) backs the line taken by its Slovak counterpart.

Error Prompts Calls for Banker's Dismissal

AU3011141493 Bratislava SMENA in Slovak 25 Nov 93 p 2

["mik, ev"-signed report: "Slovak National Bank Signed a Letter of Credit Covered by the Flying Eagle"]

[Text] Slovak National Bank [NBS] Governor Vladimir Masar has confirmed that, six months ago, the NBS signed a letter of credit for $4.2 million that was supposed to be covered by an American bank. It subsequently turned out that the bank in question consisted of one person, an Indian from an American reservation known as Flying Eagle, and that his "bank" did not own any property.

The NBS later tried to cancel the transaction, but the clever cheat managed in the meantime to issue a bill of exchange, based on the letter of credit, for a person of Hungarian origin and, according to the rules of banking, the NBS must pay the money for the bill of exchange if it wants to keep its good name. Otherwise, it would lose its international credibility and trading partners would consider its guarantees unreliable. According to Vladimir Masar, however, the NBS will not have to pay the money because the collateral for the bill of exchange is questionable and the NBS has not confirmed its acceptance of this transaction. Responsible for the whole affair is a member of the most narrow NBS leadership, who committed a professional blunder and signed the letter of credit for a sum of this magnitude without sufficient verification. (His signature also features on Slovak banknotes)

Prime Minister Vladimir Meciar said that he had recommended to the gentleman in question to voluntarily resign from his post or, otherwise, parliament would have to dismiss him on the government's proposal. According to information from parliamentary circles, this will not be a problem and the absolute majority of deputies will endorse the dismissal.

Russia To Repay Debt With Arms Supplies

AU3011150393 Prague CTK in English 2107 GMT 29 Nov 93

[Text] Bratislava, Nov 29 (CTK)—The Tuesday talks between the Slovak representatives and Russian Deputy Premier Yuri Yarov will focus on the establishment of modern trade relations with Russia,, Slovak Deputy Premier Sergej Kozlik told Slovak television today.

He said that Slovakia would discuss its claims to Russia which, according to Slovak Television, amounted to some $1.5 billion. Kozlik called promising the supplies of special technology weapons, for 1994.

Last week, Slovak Defense Minister Imrich Andrejcak discussed the arms supplies from Russia to Slovakia as a form of repaying the Russian debt. He secured deliveries of jets, spare parts for military aircraft and ammunition for ground forces.

The talks should result in establishing banking clearance centers, which would help conduct the barter deals which are to become a new type of trade between Russia and Slovakia.

Yarov is also to be received by Slovak Premier Vladimir Meciar.

Andrejcak on Repayments

AU2911164993 Prague CTK in English 1710 GMT 26 Nov 93

[Text] Moscow, Nov 26 (CTK)—Commenting on yesterday's announcement that Russia would pay off part of its debts to Slovakia with military supplies, Slovak Defense Minister Imrich Andrejcak today stressed that Russia was not able to pay back its debts to Slovakia of about $1.5 billion, and that the Paris Agreement had allowed it to postpone them until 1996.

It is really a concession on the part of the Russians that they are willing for us to write off the military supplies from the bill, and it suits us, Andrejcak said.

Andrejcak said that the results of the Moscow talks had removed the fears of Slovaks that Hungary, who had already received Russian planes as part of its debt repayment from Russia, had gained military ascendance over Slovakia.

He said the Russian supply of weapons and technology might be increased if Slovakia asked for comments which the Russian Army has and which it will be able to make available. If not, we would have to ask that resources be freed from the budget, he said. Andrejcak said that Slovakia would make use of the opportunity to gain technology as debt repayment next year as well, if the Russians agreed.

After his second round of talks with Russian Defense Minister Pavel Grachov, Andrejcak said that Slovakia did not believe it should stop its initiative concerning cooperation with NATO, aiming eventually at membership. However, we will take Russia's opinion into account, he said. Both the Russians and we will be looking at the results of NATO's January summit, and in various ways we will start to cooperate with NATO, he said.

Grachov said the talks had been very successful. The supplies agreed upon are only the beginning of our future techno-military cooperation, he announced. All the questions of coordination have been answered, and the supply of weapons and technology—from both the Ministry of Defense and directly from industry—will be on its way to Slovakia as soon as possible, he said.

Government Urged To Protest U.S. Rights Report

AU3011172293 Bratislava REPUBLIKA in Slovak 29 Nov 93 p 3

[Commentary by Viliam Fabry: "Let Us Act as a Sovereign State; Diplomacy Knows Not Only Denials, But Also Notes of Protest"]

[Text] When Ivan Gasparovic, chairman of the National Council of the Slovak Republic, returned from the United States, he commented on his talks with Senator [Steny] Hoyer, deputy chairman of the U.S. Senate Helsinki Commission, which concerned the contents of the "Democratization and Human Rights in Slovakia" report, which had been prepared by the commission under the senator's guidance. Ivan Gasparovic said that the report contained a lot of information that was not true, which the senator supposedly admitted and, what is more, he even deplored that the document had been published in this way and voiced the readiness to amend it on the basis of information supplied by us. We have learned that similar talks had also been conducted in the United States by Minister [of Foreign Affairs Jozef] Moravcik and State Secretary Jan Lisuch.

From a more recent TA SR report, we learn, however, that Senator Hoyer expressed his pleasure at the fact that "our report has generated such a lively debate in Slovakia" because "democracy profits from a public debate on human rights issues" and, according to him, only a few critics disagree with the facts cited in the report.

Senator Hoyer is supposedly worried by the human rights situation in Slovakia (how good that the problems of Blacks and Indians do not fall under the jurisdiction of the Helsinki Commission, for he would have to worry even more). I think, however, that what worries the honest citizens of the Slovak Republic even more is that this kind of official defamation of our republic does not worry those representatives of our state who should have

protested long ago, through official diplomatic channels, against this report on human rights in the Slovak Republic. It is becoming apparent (and not only in this case) that oral arrangements carry no weight. Did the claims that the civic principle finds no application in our Constitution and that only the national principle is applied in it, that our state does not grant any rights to the minorities, that our courts are no guarantee of the [enforcement of] law, that racism and intolerance toward minorities are thriving in Slovakia, and other false claims having their origin in the "independent" press perhaps not deserve an energetic response in the form of a diplomatic message?

When shall we finally start acting as a sovereign state? When will the government tell the whole world on the appropriate authoritative level the truth about democracy and the rights of minorities in Slovakia? Why do we constantly only issue denials, and why are even these not resolute and unconvincing?

Article Views Dispute Over Hungarian Statue

AU0112124693

[Editorial Report] Bratislava PRAVDA in Slovak on 30 November on page 2 carries an 800-word Vojtech Vesely article entitled "Roznava and Kossuth: Will the Signatory of a Warrant for the Arrest of Ludovit Stur Get a Statue?" The article deals with disagreements between the Slovak and Hungarian residents of Roznava, a district town in east Slovakia, over the demand raised by deputies to the Roznava City Council for the Hungarian minority's Coexistence Movement that a statue of Lajos Kossuth, the leader of the Hungarian Revolution of 1848-49, be reinstalled in the city's central square. As the article reveals, the Kossuth statue had been erected in the central square in 1904 but was removed from there after the end of World War II and "placed in a museum."

According to the article, representatives of Slovak political parties in the city acknowledge that Kossuth was a "significant historical personality of the Hungarian nation" but point out that he never visited Roznava and had absolutely no ties to that city. Moreover, at a meeting held on the premises of the Slovak Heritage Foundation, the Slovak parties' representatives reportedly "pointed out that, in relation to Slovaks and their quest for self-determination, Kossuth assumed a categorical position—a Slovak nation does not exist!—an opinion that he repeatedly proclaimed in public." Therefore, "Slovaks consider the erection of his statue at a public place in Roznava, as a district center of the Slovak Republic, a provocation and an act of denying Slovak independence." They also point out that, "in his efforts to deny the existence of the Slovak nation, Kossuth went so far as to issue a warrant for the arrest of [Slovak national hero] Ludovit Stur and his supporters."

The article notes that a final decision is to be made by the City Council by the end of this year. Imrich Ondresik, the mayor of Roznava, is quoted as saying that he wants "as many representatives of the city's citizens as possible to express their view so that the adopted decision corresponds to their will."

Bill on Place-Names 'Unacceptable' to Hungarians

AU3011165193 Bratislava SLOVENSKY DENNIK in Slovak 27 Nov 93 p 1

[Interview with Julius Bardos, spokesman for the Hungarian Christian Democratic Movement, by Martin Skopec; place and date not given: "Are We Going To Have Gabcsikovo?"]

[Text] [Skopec] What is the Hungarian Christian Democratic Movement's opinion on the bill, the submission of which is being prepared by the government, that changes and amends Slovak National Council Law No. 428 of 1990 on the official language in the Slovak Republic and Slovak National Council Law No. 517 of 1990 on the territorial and administrative division of the Slovak Republic, as amended by Slovak National Council Law No. 295 of 1992?

[Bardos] The bill, with which we have been able to familiarize ourselves, is, in our opinion, a camouflage. Moreover, representatives of minorities, whom this bill concerns, had not been invited to its drafting. We do not consider this bill to be a solution conforming with the intentions of Council of Europe recommendation No. 1,201.

[Skopec] What are your specific objections to the bill?

[Bardos] They concern the changed wording of Article 6 of Law No. 428 of 1990, specifically the newly added Section 4, under which the designation of the name of a community in the language of the ethnic minority is a translation of its designation in the official language or, where this is inappropriate, its transcription according to the orthography of the ethnic minority's language. The snag is that this solution is suitable only for those communities where a translation is possible, such as Samorin-Somorya or Dunajska Streda-Dunaszerdahely. According to the government-sponsored bill, the name Gabcikovo should be on the upper, bigger sign and the second name, Gabcsikovo, on the lower sign with a blue background, despite the fact that the community's original [Hungarian] name is Bos.

[Skopec] Do you expect your negative response to the government's draft to trigger a negative reaction?

[Bardos] We will probably be accused once again of writing letters to the Council of Europe and so forth. We will, however, express our discontent at home first.

[Skopec] Do you consider the situation regarding the [bilingual] designation of towns and villages in the ethnically mixed areas to be better or worse than under communism?

[Bardos] It is not in the least better. I would like to note that this so-called democratic solution to the designation of place names is about as democratic as the Movement for a Democratic Slovakia as a whole. The government is

deliberately submitting this bill, even though it knows that it will be unacceptable to us.

Hungarian Schools Reject Subordination

AU3011175993 Bratislava REPUBLIKA in Slovak 29 Nov 93 pp 1,2

[TA SR report: "They Reject Integration Into State Administration; Hungarian Teachers Have Assimilated the Rhetorics of Political Parties"]

[Text] Kosice—The integration of the school system into general state administration, which is currently being prepared, and, thereby, under the jurisdiction of the Slovak Ministry of Interior, was rejected by delegates to the third extraordinary assembly of the Union of Hungarian Teachers in Slovakia (ZMPS), which ended in Kosice on Saturday [27 November].

Zoltan Sido, the newly elected ZMPS chairman, said that one of the specific problems confronting the Hungarian minority's schools was the training of teachers. "We disagree with the fact that a Hungarian faculty has still not been set up in Nitra, even though its establishment had been recommended by a resolution of the former Slovak National Council. We have asked Hungarian political parties in Slovakia to draft a bill on the establishment of a Hungarian-language university. The fact that Hungarians make up 11 percent of the population in Slovakia speaks in favor of this proposal," Zoltan Sido said. He rejected the proposal put forward by the Slovak Ministry of Education and Science for so-called alternative schools [where humanities would be taught in Hungarian and sciences in Slovak], which he termed "some kind of a crossbred animal." Speaking in the debate, Slovak Minister of Education and Science Jaroslav Paska said that he considered the ZMPS a partner organization and promised to consult it on all important issues.

Poll Suggests 31 Percent Lost Trust in Meciar

AU0112103093 Bratislava SME in Slovak 29 Nov 93 p 1

["SME"-signed report: "The Prime Minister Suffered the Greatest Loss"]

[Text] Bratislava—From 12 to 15 November 1993, the Slovak Radio's Institute of Methodological Research [MVK] carried out a representative survey concerning the problems of our domestic political life. As Pavol Haulik, head of the MVK, informed SME, the results of the survey are based on replies by 1,192 respondents of a standard composition in terms of sociological status and age. Interesting are the figures that reflect changes in attitudes toward politicians. When replying to the question—Has your attitude toward a specific politician (names are in the graphs below) changed recently (that is, in the last six months to one year)?—respondents were able to choose from the following options:

1. I trusted him and continue to trust him;

2. I trusted him, but do not trust him now;

3. I did not trust him, but trust him now;

4. I did not trust him before and do not trust him now.

The results in the first table reflect the sum total of respondents who agreed with either reply number 1 or reply number 3. The second demonstrates gain or loss of trust. As can be seen, the greatest loss of trust has been suffered by Prime Minister Vladimir Meciar.

Trust of Politicians (November 1993)
(in percent)

Michal Kovac	60.5
Ivan Gasparovic	45.2
Peter Weiss	41.0
Roman Kovac	37.6
Vladimir Meciar	34.1
Ludovit Cernak	26.1
Milan Knazko	24.9
Jan Carnogursky	20.1
Vojtech Bugar	5.8
Miklos Duray	5.6

Changes in Trust in Politicians

	Loss of Trust	Gain of Trust
Peter Weiss	13.3	10.0
Vladimir Meciar	31.1	2.1
Roman Kovac	17.7	4.2
Michal Kovac	13.1	10.7
Milan Knazko	25.7	8.3
Ivan Gasparovic	15.1	4.4
Miklos Duray	2.8	1.2
Ludovit Cernak	23.5	8.4
Jan Carnogursky	17.0	5.5
Vojtech Bugar	1.8	0.8

High Proportion of Households on Minimum Incomes

LD3011160193 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1100 GMT 30 Nov 93

[Excerpt] Officials of the Statistics Office of the Slovak Republic briefed journalists today on the results of research into low-income households in the second quarter of 1993. The income limit for the purposes of the research was set at up to 2,000 Slovak crowns per household member; this figure was based on the amended law on minimum sustenance level. Bibiana Gunisova sums up the most interesting figures:

[Gunisova] The number of households whose monthly income does not exceed 2,000 crowns per head is 693,000, with over 2.5 million members. These are alarming figures, especially bearing in mind that they represent 39 percent of the overall number of households in Slovakia and as much as 49 percent of the Slovak population. [passage omitted]

Antall's Condition 'Basically Unchanged'

AU3011194093 Budapest MTI in English 1752 GMT 30 Nov 93

[Text] Budapest, 30 Nov (MTI)—A team of doctors treating Hungarian Prime Minister Jozsef Antall said his medical treatment continues and his condition is basically unchanged, in a communique issued by the Prime Minister's press office on Tuesday. Antall is being treated at Budapest's Semmelweis Medical University Hospital but is having radiation therapy at the Budapest Institute of Oncology.

On November 25, the PM's Press Office released a report by Cologne University Professor Volker Diehl and Hungarian Professor Gyorgy Nemeth: "Although the parent cell transplant and related therapy, done at clinic No. 1 of Cologne University, led to complete remission of the disease in the lymph organs, new manifestations in the blood-producing organs require active treatment."

FIDESZ Deputy Views Economic Program

AU3011155593 Budapest MAGYAR NEMZET in Hungarian 25 Nov 93 p 8

[Interview with Mihaly Varga, member of the Federation of Young Democrats, by Noemi Sumegi; place and date not given: "Portugal and Spain Can Be Reached—FIDESZ Deputy Mihaly Varga on Economic Growth and Role of State"]

[Excerpts] The economic policy of the Federation of Young Democrats [FIDESZ] has been brought into the limelight by FIDESZ Chairman Viktor Orban's parliamentary speech during the budget debate and by his statement that he could even accept the economic program of the Hungarian Socialist Party [MSZP]—drawn up by Laszlo Bekesi—as a basis for negotiations. We interviewed Mihaly Varga, member of the FIDESZ's economic cabinet, on the main points of the program and any recent changes in it.

[Sumegi] At the moment, Orban is touring the country with an economic program called "Enterprise and Growth," which is the basis for his talks with entrepreneurs and economic experts. To what extent do these two terms characterize the party's economic program?

[Varga] Enterprise and growth indeed express what the FIDESZ brought into economic policy as a new element during the debate on the 1994 budget: In our view, the situation is fundamentally different from the previous years. Now it is not enough to say that the conditions for economic growth can be established simply through reducing expenditure. In our view, although it is important to reduce the expenditure and it is essential to reform the state administration, it could be dangerous to direct all attention to handling inflation. Many people have called our attention to the fact that the majority of people are disappointed with the results of democracy, and the fact that they have not experienced successes in economic life is the main reason for this. Citizens assess the success or otherwise of a political system through their own living standard. It has also become a widespread view that the economy's performance has decreased compared to last year's of the previous regime. There is a lot of truth in this, but it also has to be taken into consideration that this is a different kind of economy. Therefore, in our view, if we do not want to endanger the achievements of democracy, we will definitely have to show economic results and, to achieve this, we need to launch economic growth, partly with state assistance.

Concepts and Ways

[Sumegi] This goal also coincides with the plans of the MSZP and the Alliance of Free Democrats [SZDSZ]. However, the views differ on how to establish the conditions for growth.

[Varga] Everyone is looking for the turning points, but everyone is finding a different answer. The government agrees that increased investments can boost the economy, but in its view, state intervention is needed to achieve this. In other words, the state has to first draw the resources from the market and it is the state that should give incentives to the economy. As far as I can see, the SZDSZ would like to continue this strict, monetary, and restrictive economic policy; in their view, it is enough to wait for the market economy's own forces to start economic growth from their inner resources and, until then, the main issue is the handling of inflation. Recently, however, I have felt that the SZDSZ has been placing more emphasis on increasing investments than in the past. The MSZP's concept talks about some kind of crisis management. However, the latest Bekesi plan seems to have moved off from this point. Our alternative can briefly be summed up by saying that we also consider the launching of economic growth as the most important aspect, but we do not want to achieve this through central means. Rather than centralizing resources, we would leave the financial resources on the market. Therefore, if an enterprise is profitable, then the state will not take away the profits in the forms of taxes, but rather, it will leave the money with the enterprise on the condition that it reinvests it. [passage omitted]

[Sumegi] How do you plan to reform the big provision systems? Within these, according to the FIDESZ's plans, how would the welfare benefits be changed?

[Varga] At the moment, we only have basic principles on the reform of the big provision systems because we need a lot more information to draw up the concrete action plan. However, we have declared some principles—for example, the principle of needs. We do not agree with family supplement being an automatic right, although this is probably unpleasant for some citizens. According to another principle, above a certain level in the health service, the consumer should finance, for example, dental treatment from his private insurance or from his pocket.

[Sumegi] When will we be able to feel the beneficial effects?

[Varga] The FIDESZ's program promises that we can reach the development level of Spain or Portugal by the end of the century. However, we are not able to predict the date when the welfare system will be completed now because many factors are missing that are needed for the calculations. A lot depends, for example, on how much confidence the government's economic policy will have abroad. [passage omitted]

[Sumegi] Both the MSZP and the SZDSZ lay great emphasis on increasing the exports. What are your views on this issue?

[Varga] It is very difficult to get hold of foreign resources without successful exports. However, this also has institutional conditions. For example, we have been suggesting it for years that the Ministry for International Economic Relations should not be the one responsible for exports, and the foreign representations should not be under state control, rather, more trust should be put into the private sector. Practical steps come after this. Recovering our position in the eastern markets would indeed be worthwhile because almost unlimited amounts of Hungarian products could be sold here; however, competition has appeared here and I do not see any chance that effective demand will increase in this region all of a sudden. A FIDESZ delegation has actually made a proposal to the European Bank for Reconstruction and Development [EBRD]; according to this, a fund should be established by the EBRD to operate a certain purchasing system.

[Sumegi] An interesting FIDESZ proposal has also been made in connection with the foreign debt stock.

[Varga] This has been our idea for a long time now and we do not understand why the government has not yet used this possibility. Hungary's debts are mainly to the developed industrial countries that are also giving us loans. Therefore, it would be better if the foreign country bought Hungarian state property to reduce our state debts. However, it is to be seen what kind of assets that can be privatized we will have left when the new government takes office. [passage omitted]

FIDESZ Leader Explains Goals at Conference

AU2911144093 Budapest MTI in English 1814 GMT 27 Nov 93

[Text] Budapest, 27 November (MTI)—The chairman of the opposition Hungarian Federation of Young Democrats (FIDESZ), Viktor Orban, discussed the failures of the Hungarian conservative government line, and the dangers posed by a return of the socialists, in the course of his address at the opening session of the Liberal World Conference in Budapest on Saturday [27 November].

Orban, who is the host of the conference, said that "similarly to Poland and Lithuania, the political pendulum is swinging backwards in Hungary, too." Therefore, he defined the goal of the Hungarian liberals in "halting the swing of the pendulum in the middle."

The FIDESZ chairman said only the alternative offered by the liberal parties can ensure the dual task of transformation, to create a democratic political system and a market economy.

Discussing the external, including security policy conditions of transformation, Orban said NATO is the only collective security federation today that can serve as the framework for stability.

Orban firmly criticized the West for delaying the process of Hungary's economic integration, and said: The most advanced countries failed to reciprocate the liberalization of Hungarian foreign trade and, with their exports financed with state guarantees, they are also forcing Hungary out from the markets of the former Soviet region.

The FIDESZ chairman specially stressed that Hungary does not expect aid, it rather wishes to implement trade with the West.

Ivan Peto, chairman of the largest Hungarian opposition party, the Alliance of Free Democrats (SZDSZ), said the fact that Hungary is the most stable country in the region was one of the results of the liberals' strength.

Citing recent public opinion polls, Peto said Hungarian citizens today believe that local governments under the leadership of liberal parties serve their interests in a much better manner than the churches, the trade unions, to say nothing of the government or even less about the ruling parties.

With respect to the parliamentary elections to be held in Hungary in 1994, the SZDSZ chairman said his party has a program that is suited for the country's gradual integration into Europe.

Peto voiced the hope that a government with a liberal majority would receive confidence to implement its program.

The liberal world conference continued its work with a plenary session on Saturday.

Socialist Deputy Views Party's Affairs

AU2911162393 Budapest NEPSZABADSAG in Hungarian 25 Nov 93 p 11

[Interview with Jozsef Geczi, parliamentary deputy of the Hungarian Socialist Party, MSZP, by Istvan Tanacs; place and date not given: "A Strong Opposition Rather Than a Weak Companion—Jozsef Geczi on the MSZP's Diversity and Its Relations With Other Parties"]

[Text] I hope that Laszlo Bekesi [Hungarian Socialist Party—MSZP—deputy] will not make the same mistake that [MSZP Deputy] Matyas Szuros made in the past one or two years, namely that he will not interpret his own version and indispensable values as an alternative to the party' center. There are no alternatives to [MSZP Chairman] Gyula Horn among the reform politicians, and the moment has not yet come when a politician from the party's second generation could take over the leadership, Jozsef Geczi told our Szeged correspondent.

[Tanacs] A number of people, including the chairman of the Federation of Young Democrats [FIDESZ], considered Laszlo Bekesi's interview to MAGYAR HIRLAP a change from the MSZP's former economic program. In fact, the interview was interpreted by some people as if Bekesi was appearing as a cautious alternative to Horn.

[Geczi] The MSZP does not have two separate economic policies, one by Horn and another by Bekesi. At the moment, sections of the program are being prepared and these will only make up a unified economic program at our congress in February 1994. Bekesi is the coordinator and the main author of the economic program. Horn has always held the view that, although the situation in Hungary is difficult at the moment, the MSZP as a social democratic party should address long-term social policy—even if this cannot mean an immediate improvement in living standards. Bekesi's economic ideas have also changed considerably in the past year: The fourth version of the concept that is largely based on monetary restriction puts much more emphasis on social elements, gives a bigger role to the state, and it treats the crisis of agriculture as a central issue.

[Tanacs] Can the Bekesi interview in MAGYAR HIRLAP also mean the beginning of a personal rivalry?

[Geczi] When differences of opinion emerge, people straight away start to make up theories. I hope that Bekesi will not make the same mistake that Szuros made in the last one or two years, namely that he will not interpret his own version and indispensable values as an alternative to the party's center. In the case of Szuros, the party's core decided that he was definitely needed in the party. He was needed as a public dignitary, as a person who is sensitive to national issues and who attracts many voters, who is familiar with international diplomacy, and who is at home in the provincial environment. He can be part of the party's center at all times but cannot be an alternative to it. Bekesi's economic policy concept is a great value and it has its place on the left wing. However, it could lead to trouble if he was trying to achieve some kind of exclusiveness instead of seeking compromises and alliances.

[Tanacs] The Horn-Bekesi debate first became known to the public after the political advertisement published in the summer.

[Geczi] The advertisement had its own story but, in my view, the whole thing was only an excuse for the liberal parties to spectacularly eliminate the myth of a social-liberal coalition that had actually been founded by them when [parliamentary deputy, Hungarian Way and Hungarian Justice and Life Party leader] Csurka's views seemed rather dangerous. However, by the beginning of the autumn, we learned that the FIDESZ was leaving this bloc and some kind of pact-politics would again be started.

The Alliance of Free Democrats [SZDSZ] also wanted to leave some room for maneuver in another direction; therefore, it had to modify the cooperation with Horn. When I read [SZDSZ leader] Janos Kis's article in NEPSZABADSAG in August, I thought that this was the end of their solidarity with the socialist party. This is the reason the political campaign to do with the advertisement was started. The advertisement can be attacked in some places but certainly not in as many places as for example Tamas Nagy's advertisement entitled "Let Us Dream About Tomorrow Together." Nevertheless, the Agrarian Federation is still a major member of the liberal bloc while the MSZP is described as the movement of social demagogy that likes to distribute the revenue.

[Tanacs] Relations between the MSZP and the trade unions is another much-debated issue.

[Geczi] The anti-trade union concept had already been formulated before the 1990 elections in the SZDSZ. The government coalition also joined this in 1991 and with the slogan of "we need a change of the regime in the trade union movement," they started to attack the "party state's" trade unions. Penalizing laws were made through a five-party consensus against the National Federation of Hungarian Trade Unions [MSZOSZ] which resulted in the population getting to like the industrial trade unions that had not been very popular before and these were able to win at the local social insurance board elections. The other effect they had not desired was that the persecution made these trade unions come close to the MSZP. Hostility against the trade unions has a theoretical basis in the sense that a powerful trade union movement is indeed annoying in the current wild eastern capitalism when, rather than various benefits being distributed to the workers, assets are being given to the capitalists, and when cheap labor is needed and trade unions that are incapable of resistance. However, there is no point in seeing this as some kind of liberal principle because the toughest actions are carried out by the trade unions closest to the liberals, for example the aircraft engineers and the railroad train engineers.

[Tanacs] Everyone is promising a social pact, however, a Thatcherite policy of breaking down the trade unions has less chance if the trade union representatives are also sitting in Parliament.

[Geczi] In Eastern Europe, the main danger does not lie in the trade unions forcing some kind of social pact that will limit the government, rather, the danger is that they will become too weak and there will not be anyone to

make a pact with. In this case, a social explosion will come sooner which will not be initiated by the trade unions—no one knows who will initiate them. People who are now worried that Horn and [MSZOSZ leader] Sandor Nagy will ride into power on a red horse forget that trade unions in Hungary have generally been in favor of peaceful solutions since the 19th century. The somewhat bureaucratic, German type trade unions are traditional in Hungary. These trade unions would like their leaders to be able to have a say in privatization, to have fewer employees dismissed, to be partners in legislation on economic matters, and to belong to the upper political elite. This is a peaceful country where, as long as there is a chance for nonviolent solutions, those trade unions are popular that prefer organizing courses or distributing cheap potatoes to the workers to leading popular uprisings.

[Tanacs] Recently, in addition to his political line, Horn has also been in the focus of attacks because of his past participation in the police force. Is there a division in the MSZP, in which one side is stating that it is not certain that Horn should be kept because the party would be less exposed to attack without him and the liberals would also prefer the party without Horn?

[Geczi] There is no dividing line, this is certain. It is also certain that this is what our political opponents would want. I am not certain that, being fallible, none of us have thought about stepping into Horn's place. However, there is no alternative to Horn among the former reform politicians who participated in establishing the socialist party, and the moment when someone from the party's second generation could take over the leadership has not yet come. Anyway, what would they refer to? In the past four years, there has not been any decisive momentum in Horn's policy which would have hindered the party. Using his political instincts, he was mostly ahead of us.

In 1990, we agreed to put the left wing back on its feet, to make it, on the opposition side, part of the country's reconstruction, and to make it legitimate in Hungarian society once and for all. We are well on the way to achieving this, therefore, six months before the elections, no one has the right to say that now it would be more pleasant without Horn. His replacement could morally wound the party and could cripple it.

[Tanacs] However, the law on former agents is again antagonizing the MSZP with all the other parties.

[Geczi] This is not Horn's personal matter, this is a question of how to complete the change of the regime. As for Horn, he himself publicly admitted what had happened. If people did not change and were not allowed to change then the naive and faithful group of intelligentsia that started off as the generation of the "glorious breeze" [fenyes szellok, late 1940's] would not have come into conflict with themselves in 1953. The 1956 revolution would not have happened, there would not have been 1968 or 1989. The question is whether we should again begin to invent that the whole past 40-year period was a big dark world and we personally had nothing to do with it. Everyone had something to do with it. Therefore, if someone wants to participate in political life, he is to deny, rather than admit his past. Certain people will overstate things while others, who ought to take part in Hungarian politics, will withdraw because they cannot stomach that this is the main issue again after four years.

[Tanacs] I am personally convinced that a social-liberal coalition would be best for the country's future. However, it seems that we are getting further away from this.

[Geczi] First of all, we should think about the meaning of a social-liberal coalition. The liberal press, especially MAGYAR HIRLAP, tried to make the public believe that this is a coalition of the SZDSZ, the FIDESZ, and the MSZP. The FIDESZ ruined this, and it even wiped out the SZDSZ-believers within the party. In my view, a social-liberal coalition could also exist without the socialists or even in a different setup. In my view, a party can only participate in a coalition as a sovereign unit, with internal integrity, and as a whole. I am not in favor of a part of the MSZP entering this coalition just because the liberals like it, while the rest of the party stays out of this, because this can lead to a breakup of the party. We know how this is. As early as in 1990, I said that the FIDESZ is an orange colored balloon, however, in my view, it is not fitting that the intelligentsia of Budapest that made the FIDESZ great in the past is now trying to stamp it into the ground. The liberal press supported Horn for about a year, now it does not seem to have any solidarity with him. Now it would support Bekesi but when he possibly came to join them with a small team, he would also be told sometime in the future that he is not needed anymore. All our partners and opponents have to realize the fact that we are socialists together, as we are. If the leadership that is taking part in a coalition is not supported by a united political force then this is a weak coalition partner. There is nothing more dangerous than for a half-ready social democratic party to enter a coalition in a forced situation, and to receive the welfare ministerial position where it cannot carry through its intentions but will draw public anger on itself. If these are the only two possibilities—although I think that others will also arise—then we should rather be a strong opposition than a weak companion.

Horn Expects 25 Percent at 1994 Elections

AU2911204393 Budapest PESTI HIRLAP in Hungarian 24 Nov 93 p 4

[Report by Zsolt Hunyor: "Gyula Horn Expects 25 Percent"]

[Text] The Political Science Faculty of the Budapest University of Economic Sciences has organized a series of public lectures and debates in connection with the approaching elections. On 23 November, Gyula Horn, chairman of the Hungarian Socialist Party [MSZP], was the guest and the questions were the same as before:

Miklos Gyorffy talked to Horn on the electoral system, the significance of the second free elections to be held in 1994, and the experiences of the past four years.

In reply to a question on what were the MSZP's views on the electoral system, Horn said that they were not trying to achieve major changes. He did not consider it timely to say whether the number of parliamentary deputies was too high or too little. At the same time, he emphasized that ultimately the goal of the socialists is to have a new constitution accepted which is based on a bicameral parliament.

Horn reacted optimistically to the issue that the proportion of votes needed to get into Parliament would be raised. In his view, it does not make any difference for his party whether the threshold is 4 or 5 percent because they are expecting to receive 20 to 25 percent of the votes.

He looked back to the first free Hungarian democratic elections and said that, in 1990, even getting into Parliament was a fundamental question for a party that appeared in post-communist colors. However, in 1994, they will be in a position, Horn assumes, in which the left-wing party can be a determining force. Referring to Western opinions, he emphasized that democracy cannot exist without a real social-democratic type left-wing party. "We are a calm force and we are professionals," Horn summed up the party's conviction.

According to Horn, everyone who is now in power has to be replaced, and the three coalition parties have monopolized legislation and the executive power. He used harsh words: Incompetence, dilettantism, and aggressiveness characterize the government.

To another question, he replied that the party's minimal goal is to force the current legislation and government to pass on the power at least in the way it took it over, and to ensure the country's ability to function.

The discussion leader asked Horn to describe the relationship to the other parties in a sentence each. Horn said the following: The Christian Democratic People's Party participates in the government to a greater extent than its relative size; the group of the Independent Smallholders Party which is led by Jozsef Torgyan continues to have a determining importance in the election campaign; because of its social sensitivity and liberal attitude, the Alliance of Free Democrats is a potential ally of the MSZP; the Federation of Young Democrats is getting further away from the liberal principles, and the party's view is that is would be better with Gabor Fodor [recently resigned board member] than without him, Horn briefly summarized the MSZP's views.

Defense Minister Discusses Military Industry

AU2911162793 Budapest MAGYAR NEMZET in Hungarian 25 Nov 93 p 13

[Report by Istvan Varga: "Lajos Fur: Our Exports Are Not Significant—Little Is Left for Modernization"]

[Text] Money is always short, responded Defense Minister Lajos Fur to a question from MAGYAR NEMZET. This everyday truth is well shown by the fact that, according to a worldwide norm, 40 percent of military expenditures should be spent on modernizing military technology, while the remaining 60 percent should be spent on maintenance and the replacement of outdated equipment. Unfortunately, this proportion does not hold true in Hungary: At the most, 10 percent of the military budget can be spent for development.

Naturally, it has to be added that this 40-60-percent division does not exist anywhere in the world. This is an ideal proportion that is a goal of the developed countries. Even in the rich NATO countries, this only reaches 20-30 percent. The Hungarian situation is not unusual in our region; the amount spent on buying new technology is very low in all countries.

In 1994, the budget proposes 67.2 billion forints for military purposes. Out of this, some 6-7 billion will be used for actual development. The remaining approximately 60 billion forints is for replacing the outdated weapons and for providing for the staff.

In response to a question on the relationship between the domestic military industry and the army, the minister said: Hungary did not have a serious armament industry in the past either. Just as in the past, there are not any companies now either, which only produce military equipment—as is common in countries that have a developed military industry. In this respect, there is a big difference between Hungary and the other countries of the region because some of these have established a significant armament producing potential in the past decades. The Romanian military industry is significant. At the time, this was set up to cover the country's needs and reduce imports to the minimum.

Only the output of a few branches can be said to be significant, Fur said. Large-scale production exists, for example, in the manufacturing of hand-held weapons and some war implements. Considering the size of the manufacturing capacity, a significant increase of Hungarian weapons exports cannot be expected.

Officials Say Energy Supply Ensured for Population

AU2911191693 Budapest NEPSZABADSAG in Hungarian 26 Nov 93 p 1

[Report by Judit Kozma: "From Monday, We Have Not Been Receiving Electricity From Ukraine—Strict Energy Savings in Russia—The Crisis Plan Is Ready in Budapest"]

[Excerpts] News on energy shortages and strict energy savings are arriving from Russia and Ukraine. Since the Hungarian economy uses much energy from these countries, we tried to find out if the disturbances of supply in these places can affect us. [passage omitted]

The situation is not at all as good in the the case of electricity from Ukraine. As we learned from Peter Simik, deputy leader of the National Load Distributor, last week's temporary halt has become permanent and we have not actually received any electricity from Ukraine since Monday [22 November]. The loss is many hundreds of megawatts that would have come to Hungary through a barter deal. (Due to the Ukrainian situation, the Russian electricity that had been contracted by a private enterprise in Miskolc is not coming, either.)

The Hungarian Electricity Works Inc. prepared itself by buying extra amounts of hydrocarbons for the Dunamenti Power Station—which has adequate reserves—to "join in" the increased production. In addition to this, further—for example Polish—import sources have been found, which will cover the needs in the rest of the year. The halt in the Ukrainian deliveries can also affect the alumina foundry in Inota, which has not received any electricity from Ukraine for five days, Director in Chief Ferenc Vit said. Fortunately, this has not caused any problems in production because the Hungarian Electricity Works Inc. delivered electricity from the Hungarian power stations. However, it is encouraging that a telex was received from the Ukrainian Ministry of Power Engineering and Electrification on 25 November, assessing the halt as temporary, and promising that the previous level would again be reached in a few days' time.

All in all, energy supply is promising to be balanced, especially as far as the population is concerned. Naturally, the Industry and Trade Ministry prepared an emergency plan in 1993, too, which lists the necessary measures in cases of disturbances in the energy supply, and which is based on the principle that supply for the population has primary importance.

Russian Security Minister Talks With Officials

LD3011180893 Warsaw PAP in Polish 1739 GMT 30 Nov 93

[Text] Warsaw, 30 Nov—Talks in the State Protection Office and in the main headquarters of police and border guards filled the second day of the visit to Poland by Russian Security Minister Nikolay Golushko.

Piotr Szczypinski, spokesman of the Ministry of Internal Affairs, only told PAP that the talks aimed at "exchange of views on matters of interest to both sides."

On Wednesday [1 December], on the last day of his visit to Poland—made at the invitation of Internal Affairs Minister Andrzej Milczanowski—Golushko will be received by the president and the prime minister.

A news conference by the Russian minister is also envisaged.

Meets With Sejm Speaker

LD0112105893 Warsaw PAP in English 1043 GMT 1 Dec 93

[Text] Warsaw, Dec. 1—Speaker of the Sejm (lower house of parliament) Jozef Oleksy on Wednesday received visiting Russian Minister of Security Nikolay Golushko to discuss mutual trade, industrial coproduction and scientific cooperation, the Sejm press office has said.

Oleksy and Golushko also discussed problems which demand legal regulations in Polish-Russian relations, including the situation of Polish minority in Russia, the Katyn crime, exchange of strategic goods, and a readmission agreement.

The meeting was attended by Russian Ambassador to Poland Yuriy Kashlev and Poland's Minister of Internal Affairs Andrzej Milczanowski.

Ex-Communist Intelligence Officer Appointed

LD3011203193 Warsaw PAP in English 1957 GMT 30 Nov 93

[Text] Warsaw, Nov. 30—Prime Minister Waldemar Pawlak has accepted the resignation of Jerzy Konieczny as head of the State Protection Office (UOP) and appointed former communist intelligence officer Gromoslaw Czempinski in his place, the government press office reported Tuesday [30 November].

According to Interior Minister Andrzej Milczanowski, there has been no pressure from the government coalition or the Belvedere presidential palace. Milczanowski says that on November 23 Konieczny was supposed to have said during a meeting of the Interior Ministry advisory committee, "my mission at the office has finished". The committee accepted his resignation by a majority vote.

Konieczny himself has not yet publicly stated the reasons for his resignation. He had been the head of the UOP since July 1, 1992. Czempinski was an officer of the communist intelligence service. Between 1980 and 1990 he was in the counter-intelligence service. He was positively vetted in 1990 and was then the intelligence deputy director at the UOP until 1992. From January 1993 he has been Konieczny's deputy at the UOP. He is 47 years old, married with two children.

The government press office also announced that the prime minister had recalled Krzysztof Zabinski from the post of undersecretary of state in the Interior Ministry following his resignation.

Head of Sejm Chancellery Resigns

LD3011192593 Warsaw PAP in Polish 1739 GMT 30 Nov 93

[Excerpts] Warsaw 30 Nov—A communique from the Sejm Press Office sent to PAP on 30 November says that Sejm Speaker Jozef Oleksy has accepted Ryszard Stemplowski's resignation from the post of head of Sejm Chancellery. Stemplowski was offered a job with the diplomatic service which he will accept. [passage omitted]

At the beginning of November, over 200 deputies from the Polish Peasant Party [PSL], the Democratic Left Alliance [SLD], and the Union of Labor [UP] parliamentary floor groups signed the petition asking for the dismissal of the head of the Sejm Chancellery. It transpires from unofficial sources that this initiative came from the PSL parliamentary floor group. One of the initiators of the petition told a PAP journalist: "Deputies and not the administration are the hosts at Wiejska Street [location of Sejm building and offices] and Stemplowski must understand this." However, he failed to explain what concrete objections there are against Stemplowski. [passage omitted]

Stemplowski asked for his resignation to be accepted effective 15 December.

Deputy Prime Minister Discusses 1994 Finances

AU3011214193 Warsaw POLSKA ZBROJNA in Polish 26-28 Nov 93 pp 1,2

[Report by Jan Forowicz: "Greater Budget Revenues Instead Of Reduced Expenditures"]

[Text] The most important event during the 25 November Sejm session was a speech by Deputy Prime Minister Marek Borowski defining the main points of next year's government economic policy.

Speaking at the start of a debate on where to find the funds with which to pay public sector employees, Borowski said that in fact the chamber was discussing next year's budget, for wages, pensions, and changes in taxation will having a bearing on the 1994 budget and the entire economic policy.

The government's main aim will be to satisfy the state's requirements by increasing budget revenues, but without cutting further expenditures on education, health care, and culture. The government sees no possibility of transforming the economy any further unless development processes are speeded up. A widening of the social inequality gap is out of the question, said the deputy prime minister.

M. Borowski criticized the policies of the previous government. While acknowledging its achievements, such as raising production, he lamented the fact that the government had left public finances in such a bad state. Evidence of this is the previous government's draft budget for 1994, calling for an over-100-trillion-zloty budget deficit, of which only 85 trillion would have been recouped. This would have meant new budget cuts, including in the defense sphere, said Borowski. What is more, the trade deficit also rose under the previous government, and chances of attaining a surplus are now more difficult because of the recession in the West, the difficulties with integration with the WEU [Western European Union], and the deadlock in trade with the East.

Therefore it is important to use available methods of stimulating the economy and encouraging investments and exports. The policy of improving economic conditions and reducing inflation will be continued. Extra care will be provided for the poorest sectors of society. However, all this depends on keeping the budget under control.

One way of keeping public finances balanced is to impose tax discipline on the so-called gray economic zone, which is said to account for 20 percent of the national income, i.e. hundreds of trillions of zlotys, said Borowski. Furthermore, fiscal revenue will be collected in a more efficient manner. More persons and units will be subject to income tax and VAT [value added tax]. People with higher incomes will be subject to surtax. Some tax concessions will be abolished.

Therefore, Borowski continued, the government will carry out a registration and classification of taxes, make fiscal law more stringent, and improve the work of the fiscal apparatus. The car tax, well known to all drivers, will be abolished and included in the price of gasoline. Tax on real estate will be altered.

On the other hand, Borowski announced tax concessions on investments and relaxations of income tax, especially the tax paid by small enterprises. Nevertheless, there will be a major offensive against those engaged in surreptitious business activity and those who take advantage of various legal loopholes in order to avoid paying tax.

The prices of energy will be adapted to world prices, Borowski continued. However, this will be a slow process, so as not to boost inflation. The increased energy prices are to be accompanied by increases in pensions and by the introduction of a tax-free allowance for people in lower income brackets.

The wages of employee in the public sector will rise to a greater extent than the prices of goods and services, and faster than the wages of employees in the material production sphere, Borowski concluded. Thus, the fall in the standard of living of office workers and teachers will be halted, and the defense sphere will not suffer a deterioration in the quality of its equipment.

Sejm Speaker Seeks Regular Radio Program

LD0112105693 Warsaw Radio Warszawa Network in Polish 0600 GMT 1 Dec 93

[Text] Sejm Speaker Jozef Oleksy talked to Krzysztof Michalski, chairman of the Polish Radio Company, on issues related to archives and the public radio service. The speaker very highly assessed the value of programs and the way in which the work of parliament is reported.

[Begin Oleksy recording] My assessment of the cooperation between Polish Radio and the Sejm is very high because it is objective and professional. We came to the conclusion that the current form of broadcasts is sufficient. I only asked, and the chairman agreed with me, that one should attempt to work out a possible regular Sejm block within Polish Radio's First Program. This is needed because of the range of the First Program. We did not encounter any differences here either. [end recording]

Krzysztof Michalski, chairman of the Polish Radio Company, emphasized that radio is not the property of either the Belweder [presidential palace], the government, or the Sejm. It is to serve the listeners. At least, this is the objective of his team. Krzysztof Michalski has been head of Polish Radio's First Program for four years.

[Begin Michalski recording] I think radio should change all the time, but not just because of a conversation with Mr. Speaker. [end recording]

Minister Assesses Security Reorganization

AU0112121893 Warsaw POLSKA ZBROJNA in Polish 29 Nov 93 pp 1, 2

[Report by Andrzej Medykowski: "National Defense Committee To Be Replaced By National Security Council"]

[Text] The National Defense Committee [KOK], which is to turn into the National Security Council [RBN] perhaps in the not-too-distant future, deals with strategic matters concerning Polish defense and security. However, the government does not have a committee to implement the KOK's resolutions and other matters in the area of defense and security that do not merit the KOK's attention. Such a committee would be the proposed Council of Ministers Committee for Defense Matters [KSORM]. This topic was discussed at the 26 November KOK session.

The KSORM would be chaired by the prime minister, who is also first deputy chairman of the KOK. The

KSORM's deputy chairman, however, would be the defense minister, who is second deputy chairman of the KOK. These parallel appointments are supposed to integrate the process of making and implementing decisions in matters of defense and security, in line with the president's proposals.

The KSORM would further consist of those members of the government that already belong to the KOK, plus the head of the Office of the Council of Ministers, who is responsible within the government for the functioning of the state administration and local government. Thus, the KSORM would consist of people well versed in the decisions and resolutions reached by the KOK, and suitably qualified to prepare the appropriate resolutions for the Council of Ministers and directives for the prime minister and other ministers.

Speaking to the press after the KOK meeting, Minister Jerzy Milewski, head of national security, said: "Please note that the Small Constitution permits the president to convene the Council of Ministers in extraordinary situations, and to chair the Council at such times. But what we want is a presidential-governmental body that will operate not just in extraordinary situations, but on a daily basis."

According to the law on the general duty to defend the country, the KOK is the body responsible for matters of defense and security. However, the KOK meeting accepted an earlier proposal to create the RBN, which would replace it. The RBN would not be a presidential advisory body, as called for in the Small Constitution, but the country's highest decision-making body in matters of defense and security. The chairman of the RBN will be the president.

The Council of Ministers is to table a draft amendment to the Small Constitution and to the law on the general duty to defend the country. Once these amendments have become law, the RBN will be formally established and its composition decided. The government would be obliged to implement the RBN's decisions. These drafts contain proposals concerning the method of cooperation between the RBN and the government.

"The KOK meeting also discussed the process by which topics to be discussed by the future RBN should be suggested. The main such topics are defense and national security, but it was said during the meeting that while it exists, the KOK should be convened whenever urgent circumstances warrant this," said Minister Milewski.

According to Milewski, the KOK was never a constitutional body, and functioned solely on the basis of the law on the general duty to defend the country. "The Small Constitution mentioned for the first time a National Security Council as a presidential advisory body having no connection with the KOK. The KOK is still operational, and all the press commentaries last year that said that the KOK would be abolished once the Small Constitution had taken effect were wrong."

What is true, however, is that the KOK is not mentioned in the draft amendment to the Law on the General Duty to Defend the Country, which was prepared jointly by the Interior and Defense Ministries. However, the Small Constitution has to be amended before this draft is adopted.

Milewski thinks that the current composition of the KOK is optimal, although changes are possible. Asked whether representatives of civilian and military intelligence might be invited to KOK meetings as is the case in the West, Milewski said: "One may expect the president to invite experts and high-ranking officials to meetings of the future RBN."

Daily Provides Overview of Personnel Changes

WS3011133393 Warsaw RZECZPOSPOLITA in Polish 30 Nov 93 p 2

[Report by J.B.L.: "The Personnel Merry-Go-Round Has Started"]

[Text] At the end of August, in the Hanna Suchocka government, that is, in the Office of the Council of Ministers [URM] and the various ministries, there were 102 secretaries of state, under secretaries, and general directors. Waldemar Pawlak made his first personnel decisions on 30 October and within a month he recalled every fourth civil servant of the highest level (according to our information, 25 people). He appointed 28 people to ministerial posts. The greatest changes were made in URM, where seven out of 14 persons left, and 11 people received appointments.

Until the end of November, the only ministries where there had been no changes (certainly apart from the new ministers) were the Ministry of Town and Country Planning, Ministry of Communication, Ministry of Environmental Protection, Ministry of Foreign Economic Cooperation, and the Committee of Scientific Research.

We have already written about most decisions made by Prime Minister Pawlak; therefore, today we will only discuss the new ones or those about which the public have simply not been informed so far, even if the decisions were made more than two weeks ago.

The following deputy ministers-secretaries left URM: Zbigniew Cieslak (Economic Committee of the Council of Ministers) and Zbigniew Wozniak (Socioeconomic Committee of the Council of Ministers). They were replaced by Andrzej Zor (secretary of state) and Grzegorz Rydlewski (under secretary). Apart from that, Deputy Minister Robert Karwowski left, as well; new undersecretaries of state in URM are Kazimierz Korona, Franciszek Witold Mleczko, Stanislaw Dobrzanski, Jan Zagajewski, and Andrzej Wieczorkiewicz. The prime minister appointed Jan Guz and Marian Wegrowski to the posts of general directors. The latter is in charge of the Personnel Office (his predecessor had the rank of a department director).

General Director Rafal Zagorny left the Ministry of Foreign Economic Cooperation; he was replaced by Wladyslaw Bartoszewicz.

The new chief sanitary inspector and a deputy minister of health in the Health Ministry is Wieslaw Jaszczynski, who replaced Zbigniew Halat. General Director Anna Grzymislawska was replaced by Wojciech Guglas.

Deputy Minister Anna Urbanowicz and Marek Paszucha, head of the Office of Fitness and Tourism, were both recalled from the Ministry of Education [MEN]. Mr. Paszucha was replaced by Stefan Paszczyk.

Also Bartlomiej Piotrowski, director of the Labor Office and Jan Lisowski, head of the Agency for Agricultural Marketing were recalled. The office of the latter was taken over by Kazimierz Gutkowski.

In reality, the scope of changes will be greater, because the prime minister has not yet signed other documents, such as the nominations for new deputy ministers in MEN; they will probably be Danuta Grabowska, Tadeusz Pilch, Kazimierz Dera, and Kazimierz Przybysz. The latter will be the first deputy of the prime minister-education minister.

Polish-Ukrainian Presidential Body Meets

AU3011161093 Warsaw POLSKA ZBROJNA in Polish 26-28 Nov 93 pp 1, 2

[Report by Malgorzata Leczycka: "There Is No Free Poland Without a Free Ukraine"]

[Text] The Consultative Committee of the Presidents of Poland and Ukraine, set up in Kiev last May, has ended its talks in Warsaw. Members of the Committee were received by President Lech Walesa, who said: "I know the West prefers rich and strong countries. We have said many times that there is no free Poland without a free Ukraine. That is why we must deal primarily with the reform of our economies. Trying to encourage representatives of Western countries to invest in Poland, I told them many times that they should also do this for the sake of Eastern markets, including that of Ukraine."

Anton Buteyko, joint chairman of the Committee on the Ukrainian side, said that "Ukraine is availing itself of Poland's experience in reforming its economy. The economy will determine the method of solving Ukraine's political and military problems."

The leading topic of the meeting was security guarantees in this part of Europe. Polish-Ukrainian relations should be viewed in the light of the efforts to set up a Europe-wide system of security, which would not only safeguard security in this region, but would also satisfy all the states concerned, says the communique adopted at the conclusion of the meeting.

The Polish and Ukrainian sides indicated the continued validity of Ukrainian president Leonid Kravchuk's proposal concerning European security, i.e. the so-called Central-East European stability and security zone initiative, plus the Balladur Plan, which has actually turned into a European Union initiative. The two sides also hailed the American partnership for peace initiative, and resolved to prepare a joint stance on this subject.

The communique also states: Ukraine appreciates the aim of Poland and other countries in the region to join NATO, whereas Poland supports Kiev's aim to safeguard Ukrainian security. Poland and Ukraine, continues the communique, should turn their to-date joint activity in the CSCE, United Nations, and other European structures into permanent cooperation, including the joint formulation of stances and initiatives. In particular, the two sides are prepared to support UN and CSCE actions to prevent or eliminate conflicts in Europe.

Warsaw and Kiev both support bilateral and multilateral regional activity, considering this as a guarantee of security and political stability for the whole of Europe, says the communique. The development of equal cooperation with Russia serves this purpose. Nevertheless, some elements of the new Russian military doctrine are a cause for concern. Anton Buteyko said that it is difficult to accept some of the formulations in that doctrine, such as the statement whereby "if some country in Central or Eastern Europe wishes to join NATO, Russia will take appropriate steps." The Consultative Committee rejects attempts by any country to interfere in the domestic affairs of other countries, considering this to be a violation of UN and CSCE norms, concludes the communique.

The talks also dealt at length on Polish-Ukrainian economic cooperation and affairs concerning ethnic minorities. Anton Buteyko told the press that Polish-Ukrainian economic cooperation has expanded in many spheres. For instance, the value of trade has increased, regional contacts have increased, and the work of personnel at border crossings has improved.

Jerzy Milewski, Polish joint chairman of the committee, said that although Polish-Ukrainian trade amounts to half a billion U.S. dollars a year, it must reach an even higher figure, and that work on establishing a joint Polish-Ukrainian bank has reached an advanced stage. The committee will meet again in Kiev next year, Milewski said. Until then, teams of experts on security policy and on ethnic minorities will hold talks. We have no economics experts of our own, so we obtain information from and base ourselves on the work of the Polish-Ukrainian commission for expanding economic relations.

The committee has decided, Milewski continued, that the team of experts on security policy would deal not not only with international security, i.e. Poland's and Ukraine's relations with third countries, but also internal security, i.e. the fight against organized crime and the

smuggling of goods, as well as such matters as the formation of Euroregions and the expansion of cross-border cooperation.

Border Cooperation Accord Signed With Czechs

AU3011175393 Prague CTK in English 1511 GMT 30 Nov 93

[Text] Warsaw, Nov 30 (CTK)—At the close of a joint two-day conference at Ksiaz Castle, Poland, representatives of the Czech Republic and Poland signed today a document on cooperation between the two countries in border regions.

The agreement is aimed to strengthen boundaries between the relevant regions and their balanced multilateral development.

The project's coordination scheme sets conditions to be followed by the two countries in environmental protection, including the idea of establishing a common national park on the Snezka mountain, the highest in the Giant Mountains (1,602 meters), which forms part of the Czech-Polish borders.

Cooperation in communications and energy are expected to yield first palpable results of all spheres.

In a short time, Czech-Polish talks are to start on opening new border crossings, including water ones. Synchronization of bus and railway transport, as well as introduction of a direct telephone connection and interconnection of the electricity networks are planned.

The coordination scheme also deals with economic and social questions, including a provision allowing unemployed poles to work in the Czech Republic if their profession is needed there and vice versa.

BBWR Association Registered as Political Group

LD3011231893 Warsaw PAP in English 2301 GMT 30 Nov 93

[Text] Warsaw, Nov. 30—The "Non-Party Reform Bloc" (BBWR) Association was registered as a political grouping in the Warsaw Provincial Court on Tuesday.

The association's founding members are the BBWR parliamentary deputies and senators as well as the majority of the BBWR election committee members and associates. Jacek Lipinski is the association's provisional chairman, while the posts of deputy chairs are held by Andrzej Luszczewski and Andrzej Gasienica-Makowski (head of the BBWR parliamentary caucus).

According to a communique issued by the "BBWR" Association, upon its registration the organization will strive to bring order to the "right-wing political scene" which remains devided after the parliamentary elections and is unable to create a counterbalance to the Polish left-wing.

The aim of the association is to support democratic changes in public life, to propagate the principles of the market economy, to support enterprise in social and economic life and to promote honest and reliable attitudes in social and economic life. These goals were laid down in the programme of the BBWR election committee and the association will strive to realize them by conducting and supporting activities designed to propagate and implement the principles of the market economy based on private ownership.

BBWR will take part in elections to representative organs and will also carry out scientific-research, educational and publishing activities, the communique said.

According to Lipinski BBWR Association centres are being formed all over Poland. Their structure is based on the local election committees of the BBWR. Members of the association are not required to present any ideological declaration but the organization wants its activity to be based on the millenium-long Christian tradition of the Polish nation.

Parliamentarians Address National Day Session

AU3011191393

[Editorial Report] Bucharest Radio Romania Network in Romanian at 1119 GMT carries a 207-minute live relay from the Metropolitan Hill in Bucharest of a "solemn" joint session of the two chambers of Romania's Parliament devoted to the 75th anniversary of the "1918 Great Union" of Transylvania with Romania, Romania's National Day.

The announcer mentions that the session is attended by "84 representatives of the diplomatic corps and 54 parliamentarians from the Republic of Moldova" as well as "Prime Minister Vacaroiu, other members of the Romanian Government, representatives of the Presidency, Romanian scientific and cultural life, and various religious denominations, and representatives of the Romanian Academy."

At 1121 GMT, the solemn session is opened by Senate President Oliviu Gherman, who greets all those present, mentions that representatives of the Moldovan Parliament and Romanian political parties represented in parliament will address today's session, and invites Victor Puscas, vice president of the Moldovan Parliament and head of the Moldovan delegation to the Romanian National Day celebrations, to take the floor.

Victor Puscas greets the Romanian people on the 75th anniversary of the Great Union and then speaks about the "geo-political changes" that have taken place in the past four years in Eastern Europe. He talks about the "establishment of democracy and the rule-of-law state" in the Republic of Moldova. He enumerates all the achievements that Moldova has recorded, in spite of all the difficulties his country has had to face. He recalls the efforts made to "consolidate the republic's independence and solve through political means the Dniester problem and crisis in the southern regions, where the Gagauz population forms the majority." He focuses on the privatization process in Moldova and his country's foreign relations as well as Moldova's efforts to "penetrate the Western market." He concludes his speech after expressing a "profound gratitude to Romania for the fraternal support granted for the restoration of normal life in the Republic of Moldova."

Following Puscas, another Moldovan delegate, Valentin Bogdaniuc, president of the parliamentary group of the Christian Democratic Popular Front of Moldova, takes the floor. He comments on the "national liberation movements in the Romanian territories on the eastern bank of the Prut River" and condemns the current Moldovan leadership for signing "scores of treaties, conventions, and accords with the CIS, which, for us, is the same old Soviet empire." He expresses the belief that the Romanian nation "will not stop trying to regain all the territories that are under foreign rule" and "to preserve our thousand-year-old hearth within its everlasting borders."

Adrian Nastase, chairman of the Chamber of Deputies and executive president of the Social Democracy Party of Romania, then takes the floor. He expresses joy with the celebration of Romania's national day. He speaks about the importance of the historic year 1918 when "the Great Union" was accomplished, about the "symbol of Alba Iulia, where the national uniform state was declared," and makes a review of the historical events and figures who made the "act of national will possible."

He talks about the need to respect the "legitimacy of the current regime and its institution" and expresses confidence that "normal relations between the opposition and the authorities will be established." He says that all parties should accept the "rule-of- law state, which is a common interest of all parties. No party can wish evil for society" because "there is not just one society that belongs to the government and another one that belongs to the opposition; there is one single society, our society." He recalls the need "for national reconciliation" in accordance with respect for "all our values." He calls on parliament to adopt "well-conceived laws that will allow for the establishment of a model of society that we want to have and that we believe is suitable for us."

Petre Roman, president of the Democratic Party (National Salvation Front), is the next speaker. He reviews the historic events that led to the 1 December 1918 union of Transylvania with Romania. He talks about the hope of the Romanians at that time that the union, "which cemented the solidarity of the whole nation," would improve their situation. He says that the "Romania of today is no doubt a state that is incomparably more solidly based on the joint foundation of the modern world, the free world, and peace than 75 years ago." He talks about all the acts of sacrifice and triumph of the nation in the period that elapsed since the 1918 union and mentions the need "to urgently pull Romania out of the state of crisis, to continue amplifying the democratization process, and ensure the transition to a modern economy," which are "unachievable without national cohesion." Thus, "conflicts have no place in the efforts of national restoration." He says that "there is a need for a new union—this time in order to come out of the current state of affairs, poverty, and injustice" because "what we really need is reform and a truly democratic program that includes practical measures aimed at halting the degradation of people's living conditions and that will speed up the process of transition toward market economy." He deplores the current "state of material and moral humiliation of several millions of Romanians" but admits that the act of building "a modern Romania is the great work of its own citizens."

Following Petre Roman, Corneliu Coposu, president of the National Peasant Christian Democratic Party, takes the floor. He says that today's anniversary should make people "reflect on the past for a moment and wisely think over our future." He recalls the efforts "of our forefathers who confronted difficulties, obstacles, and dangers to built a beautiful country, a country that no

one can defeat anymore" and says that "old borders never separated the soul, tradition, and language of the Romanians." He talks about the integrity of the country, which "cannot be negotiated," and lists all the historical figures who contributed to Romania's unification. He pays homage to them and the "hundreds of thousands of soldiers who fell in battles waged for freedom and independence." Coposu concludes his speech with the words: "Romania is eternal and indestructible."

After Corneliu Coposu, president of the National Peasant Christian Democratic Party [PNTCD], the floor is taken by Costica Ciurtin, from the Romanian National Unity Party, who briefly reviews the historical significance of the event, emphasizes the "everlasting" roots struck by the Romanian people on these lands, and appeals to all Romanians to overcome "transient disagreements."

The floor is then taken by Bela Marko, president of the Democratic Union of Hungarians in Romania, who begins by reviewing the historical circumstances that led to the Alba Iulia meeting of 1918, which "voiced the aspirations of the Romanians of Ardeal" for a "different order in Europe," in the wake of World War I. He applauds the provisions of the Alba Iulia declaration regarding the "solution of the national problem," but adds that, "unfortunately, these principles were not implemented in the 75 years that have elapsed since then," particularly those referring to the "full national freedom for all coexisting nationalities" and to "self- administration," while subsequent generations of politicians considered them as "mere promises that should not be kept." He says that "today's politicians should assume the moral, political, and legal obligation to implement these principles." He goes on to say that "true political reconciliation does not mean unanimity of opinions but rather mutual respect for the other side's opinion" and that "reconciliation between the majority and minority should rely on tolerance and understanding."

After Victor Ioan Pica, from the Liberal Party-1993, who talks about the historical significance of the Alba Iulia and condemns those "who lie, with Romania's name on their lips," the floor is taken by Senator Corneliu Vadim Tudor, leader of the Greater Romania Party, who makes a passionate appeal to unity, "since we are all children of the same fatherland," urging everyone to fight the "demon of dissension" that haunts the country. He then proceeds to review certain historical events that have led up to the act of the union and reads out a couple of his own poems.

After emphasizing the importance of the event celebrated today, the next speaker, Adrian Paunescu, vice president of the Socialist Party of Labor, chooses to lay emphasis on "social aspects," which "should come first, in view of the general poverty in the country," and says that the "endurance threshold has already been overstepped"; hence, "we should not accelerate an aberrant reform which is killing the people."

Wolfgang Wittstock and Gheorghe Raducanu, representatives of the German and Gypsy ethnic groups, point out the echo that the Great Union of 1918 has had among their communities, which recognized that act as an "undeniable necessity."

Romanian Ecology Party's Otto Weber then takes the floor and pays tribute to the "great men of the nation" who contributed to the 1918 union.

Ioan Coja, from the Agrarian Democratic Party of Romania, stresses that the day of 1 December "wipes away the shame of having had 23 August, the "of Romania's unconditional capitulation, as a national day" and talks about the need to support the "legitimate aspirations" of Romanian ethnic groups living beyond Romania's borders.

Nicolae Cerveni, from the National Liberal Party-Democratic Convention, refers to the absence of a prevailing "sentiment of unity" on this anniversary day, due to the fact that the power "does not tell the real truth" and is obstructing a "restoration of the historic truth." He says that "as long as Romania is led by such people, there can be no national concord."

Senate President Oliviu Gherman at 1431 GMT announces that two independent parliamentarians will take the floor. He first invites Leonida Lari—a former PNTCD parliamentarian from Moldova, who was recently expelled from that party and had since flirted with the nationalistic circles—to take the floor. At this point, the representatives of the opposition parties are leaving the hall in protest against her presence at the pulpit. She talks about the historical significance of the 1918 Great Union and the need for reconciliation and recites one of her patriotic poems. The second independent parliamentarian to take the floor is Petre Turlea, formerly a deputy on behalf of the ruling party, who calls for "national unity" in order to "overcome the many problems of the present."

Crowds Gather for Celebrations

AU0112083693 Bucharest Radio Romania Network in Romanian 0500 GMT 1 Dec 93

[Dionisie Sincan report from Alba Iulia]

[Excerpts] It is said that in the morning of 1 December 1918 it was snowing lightly as masses of people gathered at the Roman Platform in Alba Iulia from Crisana, Maramures, Banat, Hunedoara, from the middle of Transylvania, just as now—75 years later—they are converging here from all the corners of the country. [passage omitted]

Today, 75 years later, county delegations are coming to Alba Iulia. [passage omitted] Delegations are coming from Bucharest and all other parts of the country to attend the national day celebrations. [passage omitted]

Iliescu Comments on Foreign Affairs

AU2911175093 Bucharest DIMINEATA Supplement No. 98-90 in Romanian 24 Nov 93 p 3

["Text" of interview with President Ion Iliescu by Petros Masakara of the Zimbabwe Broadcasting Corporation in Harare; date not given]

[Text] [Masakara] It gives me great pleasure to briefly interview you here in Harare.

Outside your country's borders, there is a conflict going on in Russia, and it seems that developments in that country may also have repercussions for Romania. Why is your country affected by these developments? We are also interested in the crisis in Yugoslavia and how your country is trying to contribute to solving the problems linked to it; how do the conflicts in Serbia and Montenegro affect a country like Romania? Then, we are interested in the problems regarding your country at this point; it seems that your country has opted for democracy and the market economy. Would you, please, give us some details in this respect? Your neighbor, Russia, is experiencing a conflict between the two groups—those who favor the reform process and those who do not. Is your country interested in the development of these issues, and why?

[Iliescu] There is this general process in all these countries in Central and Eastern Europe, which involves two aspects: the political arena and the economic arena of these countries. History has taught us that a totalitarian regime cannot promote the human values that characterize our present-day society; thus, it was a failure from a political and humane point of view. On the other hand, that economic system failed because, when compared with the very dynamic pace of the technological, economic, and social progress of our civilization, this system—this centralized state system—dominated by the political factor proved not to be appropriate for this very dynamic development stage of technology and the world economy. And, in the past 10 years, we have stood witness to the worsening of this crisis of the economic and political systems in all these countries.

Aside from this, there was the crisis of the Soviet system, which, actually, represented an empire—the former Russian empire that continued to exist under the name of the Soviet system. When all these new aspects and critical times in our lives emerged—first, the economic system collapsed, then the political system failed—democratic change became an objective requirement to cope with this crisis. Insofar as the Soviet Union is concerned, there was also a new dimension—the national one. In the former Soviet Union made up of a conglomerate of peoples, the latter did not have the opportunity to affirm their own identity, their own personality, and, in the process of confrontations in the economic, social, and political areas, the national aspirations of many of those peoples emerged, as did their desire to affirm their identity. These were the roots of the dismemberment process in the Soviet Union and the aspirations for independence of all the republics incorporated in the former Soviet Union.

This is a general transformation process of all economic and political systems in all these countries. From this point of view, it is a uniform process that has its particular characteristics in each country. All these processes, however, are linked and are pushing these countries to a new development stage, namely toward the general process of European integration. I believe that all the changes in Central and East European countries are part and parcel of a general process dominated by an important phenomenon of our society's development—the discrepancies between rich and poor countries. I think that this entire transformation process in Central and East European countries is part and parcel of the transformation process in the world economy, which is now dominated by the north-south gap.

[Masakara] The situation in the former Yugoslavia is reason for concern, since it may threaten the peace of neighboring states. To what extent is your country trying and ready to help restore peace in that country?

[Iliescu] The same process is taking place in Yugoslavia. These socioeconomic discrepancies that exist between its various republics have burst into an ethnic and confessional conflict. The truth is that these peoples have been living together for centuries; during the war, they withstood German occupation and later Stalin's pressure. These discrepancies, however, have caused sensitiveness and controversies, thus leading to this outburst. We are neighbors; we are directly affected by the conflict and the embargo imposed on Yugoslavia because there are numerous interconnections between our two economies. Our economy is directly affected by this conflict; thus, we are very interested in solving these problems in Yugoslavia, in ensuring a political and peaceful solution to the conflict, and in the normalization of life in Yugoslavia. We contribute by strengthening our country as a zone of stability and through our contacts with all the sides involved in this conflict; we also support all the efforts made by international bodies, the European Community and the international community, so as to finalize negotiations, stop the war, and reestablish relations through peaceful means.

[Masakara] Your country seems to have opted for democracy and the market economy. Can you give us any details about what your country has, in fact, achieved in this respect?

[Iliescu] Four years have already elapsed since the December 1989 revolution that dismantled a totalitarian state, the monopoly of a single party, and a supercentralized economic system. We have done a great deal in this time span. First, we have changed our country's political system. We had an initial stage, of some five months, with provisional state institutions. After the 1990 elections, we elected a constituent assembly and bicameral parliament whose first task it was to draft a

new democratic constitution. This was achieved in one and a half years of work. The new Constitution was adopted by parliament and then submitted to a national referendum.

On the basis of the new Constitution, local elections were held in February last year and new general elections in September and October 1992. We elected the new parliament, the country's president, and we laid the foundation for all the structures and institutions of an new democratic state. I believe that we now have the foundation for a new state governed by law based on the separation of powers, a pluri-party system, a parliamentary system, and all the other institutions that characterize a democratic state.

Similarly, we have oriented our entire activity toward creating a new market economy. We began with the decentralization of our economy at the beginning of 1990 and we have achieved a great deal at this level. We have adopted a great number of laws and have taken other measures to lay the basis for a market economy—liberalization of prices, of domestic and foreign trade, and the privatization process that began in agriculture first and then in small and medium-size enterprises, and we have a law on the privatization of our main industrial units. We have approximately 6,000 such big enterprises. The privatization process in this case will take longer because we do not own the necessary capital to promote it in record time; generally speaking, such a process in the economy needs more time. The beginning, however, has been made.

We have also drafted new laws on foreign capital investments. A beginning has been made in this respect, too; true, it is a modest beginning, but it means that the first steps have been taken. During these three and a half years, we have done a great deal to promote a market economy.

The main idea is to create a modern market economy that may integrate into the general development of the European economy based on top technologies and technological progress, and, at the same time, to ensure the necessary social protection—that is, to create a social market economy. This is what we desire to achieve. In practice, however, this is not very easy because, generally speaking, inertia comes into plan in the economy, thus it cannot be changed in a very short time like a political system.

Second, the international framework is not very favorable. The dismantlement of CEMA [Council for Mutual Economic Assistance] and of the economic system in the former Soviet Union and other neighboring countries, which were our main and traditional partners. The situation of the economy in this part of the Europe has directly affected our economy. Similarly, the Gulf, Libyan, and Yugoslav crises, as well as the general recession in Europe and throughout the world also affected us. All these factors taken together affect our economy and this reflects in the decline in industrial and agricultural production. The low agricultural yields are also linked to long periods of drought in the past three years; this year, however, the situation has improved. We also have to mention inflation and unemployment. These two factors are the most difficult to endure by the population. This is not very encouraging, not only for our own economy, but also for many others. There is no other way for us than to continue the economic reform.

[Masakara] Yes. During Nicolae Ceausescu's time, the political system in Romania, which has already been described, was a socialist and communist one. How would you describe the nature of the political system in your country?

[Iliescu] We have to look upon all these development processes in a new way. I have already mentioned that what we want to build is an economy based on the general laws of the market. Otherwise, we cannot develop and integrate in the general development process of the world economy. Thus, we are building a market economy, but, at the same time, we are making social corrections in order to build a social market economy, which needs the presence of the state, but not as an administrative factor of influencing and directly managing the economy, but as a factor of social balance in order to guarantee, in the first place, social protection for the main segments of the population and to create greater social justice in the development process. These are the main elements.

IMF Officials, Ministers Discuss Boosting Reform

AU3011180893 Bucharest ROMPRES in English 1702 GMT 30 Nov 93

[Text] Bucharest, ROMPRES 30/11/1993—The first meeting of the delegation of International Monetary Fund experts, headed by Maxwell Watson, with Romanian ministers Mircea Cosea and Florin Georgescu, took place in Bucharest, on November 30.

The talks covered technicalities of the program Romania pursued for boosting the reform, included in the memorandum to be signed.

"It was a very positive talk, full of understanding, a continuation of the talk we had in Washington D.C.," said Mircea Cosea. "The members of the delegation, Mr. Maxwell Watson showed interest in the progress we have market in this period as regards the arrangement for memorandum. We have told them about our ideas and actions these two weeks toward privatization first of all, but also restructuring. The conclusion of the action of the restructuring committee for the singling out of the 30 enterprises now being monitored because of their poor performance, was very appreciated.

"I think it is a very good beginning. We have a very busy week ahead, and a fine week at that, because it marks the successful conclusion of long negotiations. As is known, the agreement with the IMF and the World Bank are

elements [word indistinct] in our reform and we wholeheartedly hope they will actually back the reform, so that the year 1994 should mark a progress of reform in Romania".

The talks have been fertile, said at the close of the meeting Florin Georgescu, Romanian minister of finance, stressing that the progress marked in the budgetary and fiscal policies have been appreciated, just as the fact that the budget execution in 1993 proceeded in agreement with the terms previously negotiated with the IMF,and the VAT [value added tax] application too, as a positive element among the fiscal mechanisms. "Both parties are sure these improvements in the fiscal policy will be as many instruments for the attainment of the target of macroeconomic stability which is the essential element of the agreement with the IMF," the Romanian finance minister opined.

Republic of Srpska's Buha Views Peace Prospects

AU3011145293 Vienna DIE PRESSE in German 30 Nov 93 p 3

["Exclusive" interview with Aleksa Buha, foreign minister of the self-proclaimed "republic of Srpska" in Bosnia-Herzegovina, by Oliver Vujovic; place and date not given: "I Wish That the Serbs Would be Ethnically Cleansed"]

[Text] [Vujovic] As the representative of the Bosnian Serbs, one of the parties to the war, how do you assess the current situation?

[Buha] What is now happening in the former Yugoslav Republic of Bosnia-Herzegovina is a process that is coming to an end and during which three national state identities have largely formed: the republic of Srpska, the Croatian republic of Herceg-Bosna, and the Muslim Republic of Bosnia.

[Vujovic] The international community has offered several peace plans since the beginning of the war. How do you judge the most recent Franco-German initiative?

[Buha] It is a late echo of the Owen-Stoltenberg peace plan. A number of things are still unclear about this recent plan. Ultimately, it supports the territorial claims of the Muslims. The world must not forget that the Owen-Stoltenberg plan was rejected by a veto of the Muslims, despite the fact that we showed readiness at the time to cede territory to the Muslims. The foreign countries, particularly the United States and Germany, support only the Muslims. Thus, the Serbs were brought into bad repute. The world must be realistic, particularly as far as the distribution of territories is concerned.

[Vujovic] Yet it is a fact that the Serbs control the major part of the territories in Bosnia-Herzegovina.

[Buha] When talking about territories, one can only proceed from facts. According to land registers drafted by the Austro-Hungarian monarchy, only 27 percent belonged to the Muslims, 16 percent to the Croats, and the rest of the territory to the Serbs. Thus, how can one expect us to cede territory to the Muslims? After all, the Muslims received another 3 percent of territory from us as a result of the Owen-Stoltenberg peace plan. The only reason we gave up this 3 percent was that we expected the war to end, which did not happen. It is important to know that numerous towns, roads, industrial centers, and the capital, Sarajevo, are controlled by the Muslims, which means that they possess over 50 percent of Bosnia-Herzegovina's economic wealth. This is like giving them over 50 percent instead of 30 percent of the territory.

[Vujovic] New negotiations are now taking place in Geneva. Can one finally expect peace?

[Buha] We are convinced that the Muslims who started the war have no right to be granted privileges by the world. In any event, we will only accept the result of the peace talks if sanctions against Serbia and Montenegro are lifted. Why was the Federal Republic of Yugoslavia punished for the war in view of the fact that soldiers of the Yugoslav Army no longer participated in the war in Bosnia-Herzegovina after May 1992?

Izetbegovic does not own Bosnia-Herzegovina. The world must finally realize that. The Serbs and Croats do not want to be guests in their own country, as stipulated in the Koran.

[Vujovic] You have repeatedly denied the existence of Bosnia-Herzegovina. Is this state dead?

[Buha] If one speaks of a dead state, it must first have lived. This is not the case. The state of Bosnia-Herzegovina was never born. The three ethnic groups are too different to be able to coexist. The example of the former Yugoslavia has shown that.

[Vujovic] Apart from the self-proclaimed state of the Serbs in Bosnia-Herzegovina, a self-proclaimed state of the Serbs also exists in Croatia. What are the relations between the two states like? Do you consider an early merger with the rest of Yugoslavia to form a Greater Serbia conceivable?

[Buha] No matter whether they are self-proclaimed or not, these two states are a reality. We Serbs have been fighting for the unification of all Serb territories in one state for over two centuries. We achieved this with the creation of the first Yugoslavia. Since the second Yugoslavia has now collapsed under foreign pressure, we no longer have a common state. Thus, we are fighting for our unification. This is our legitimate right, which nobody can deny us. I am convinced that we will soon live together in a common state again.

[Vujovic] Do you have contacts with the Muslim side?

[Buha] A telephone line has been functioning since Friday [26 November], a so-called hot line between Radovan Karadzic and Alija Izetbegovic. I hope that this will be a contribution to peace.

[Vujovic] Who controls the Serbian Army in Bosnia? Are the generals, particularly Ratko Mladic, controlled by Karadzic?

[Buha] Our supreme command controls the army and makes all strategic decisions. Practical problems may naturally occur at the front line. Yet I believe that, if we sign an agreement, it will also be accepted by our soldiers. If a peace treaty is now signed, the territories must be clearly defined. Then it will be easy to control any violations of peace.

[Vujovic] So-called "ethnic cleansing" took place during this war. The Serbs carried out most of the "cleansing" operations, destroying numerous mosques.

[Buha] Nobody is innocent in the war. Unfortunately, I do not have any information as to how many churches and mosques were destroyed. Unfortunately, "ethnic cleansing," as you call it, is a by-product of the war. The

civilians are fleeing from the war zones to be able to survive. This happens on all three sides. Similar things also occurred during World War II.

However, I often pray to God that the Serbs who are still in the territories controlled by the Muslims are "ethnically cleansed," and that it is possible for them to leave these territories. Yet the Muslims do not allow that. The Serbs in Sarajevo, Tuzla, and other towns are living in proper concentration camps, they are being raped and killed. "Ethnic cleansing" would save their lives and would be the most fortunate solution for them, no matter how sad that sounds. Of the Muslims who are living on our territory, I cannot, naturally, say that they are happy.

However, we are trying to enable them to lead a normal life. All Muslims living in the republic of Srpska in Bosnia-Herzegovina can move freely. We have already established lists of war crimes committed by our Serbian compatriots against Muslims, Croats, and even Serbs. Some of the Serbian war criminals have already been imprisoned. We will punish each of them according to international law and our laws.

[Vujovic] Do you personally believe that the war in Bosnia-Herzegovina will end soon?

[Buha] I am optimistic that the Bosnian problem will soon be settled. Only we, the ethnic groups living in the former Bosnia-Herzegovina, can decide our own future. Once foreign countries stop supporting only one of the parties to the war, peace will soon be achieved.

Muslims Use 'Toxic Weapons' in Zvornik Area

LD3011162093 Belgrade TANJUG Domestic Service in Serbo-Croatian 1516 GMT 30 Nov 93

[Excerpt] Zvornik, 30 Nov (TANJUG)—Muslim units have been using toxic weapons in their attacks on Serb villages in the Zvornik area, TANJUG has learned from Serb military sources in the republic of Srpska.

The Tisova Kosa area, about 18 km northeast of Zvornik, was targeted on two occasions over the last 24 hours with chemically charged missiles fired from the direction of Medjedja. Fortunately, no casualties have been registered.

During the last 20 days dozens of chemically charged shells have been fired on Serb villages in the Zvornik area. Similar attacks have been going on for months. To all appearances, the toxic weapons are based on chlorine, which is prohibited by all international conventions. [passage omitted]

Serb Plane Drops Cluster Bombs on Tuzla 30 Nov

LD3011213893 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2100 GMT 30 Nov 93

[Text] The enemy air force was active over the free Tuzla territory today. Flying from the direction of Zvornik, an aggressor aircraft dropped cluster bombs on Tuzla, Kalesija, and Teocak. A number of people have been injured and several family homes damaged.

UNPROFOR Blamed for AIDS 'Epidemic'

LD3011205393 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 30 Nov 93

[Text] On the occasion of 1 December, World AIDS Day, the Croatian Society of Victimology [Hrvatsko Zrtvoslovno Drustvo] will send a demand to the United Nations and the World Health Organization to have UN Protection Forces [UNPROFOR] personnel undergo medical checkups, Zvonimir Separovic, president of the society, has disclosed at a news conference.

In addition to other calamities, the UN peacekeeping operation has brought Croatia an AIDS epidemic. This was confirmed by research done by pathologists belonging to the American Mobile Army Surgical Hospital after the death of several members of UNPROFOR's Kenyan battalion and a statement by the peacekeeping forces' spokeswoman, Shannon Boyd, that symptoms of this disease have been discovered in the blood of several UNPROFOR soldiers from East Europe, Separovic said.

Thirty-six persons have died from this terminal disease in Croatia so far and some 60 have been infected, but the real figures are certainly much higher.

Group Demands Tests

AU3011172393 Paris AFP in English 1704 GMT 30 Nov 93

[Text] Zagreb, Nov 30 (AFP)—A Croatian jurists' group on Tuesday [30 November] said it will call for all U.N. Protection Force (UNPROFOR) staff to have AIDS tests, after several cases of the disease were reported among U.N. forces.

Former foreign minister Zvonimir Separovic, who heads the Croatian Victims Society, said he would make the request officially to U.N. officials and the World Health Organization (WHO) on Wednesday, World AIDS Day.

Separovic said that the U.N. operation has "contributed, among other misfortunes, to the extension of AIDS," in Croatia. He said authorities had to "protect everyone who could be under threat, not only sick people."

Zagreb said last month that four U.N. workers serving in former Yugoslavia had died of the killer disease this year.

UNPROFOR spokeswoman Shannon Boyd declined to confirm the figure, but said that a small number of cases had been registered among the tens of thousands of U.N. forces in the Balkan region.

According to official statistics, 53 people have been registered as suffering from AIDS in Croatia since 1986, of whom 36 have died.,

Krajina Leader Assails European Union 'Mistake'

LD3011195693 Belgrade TANJUG in English 1918 GMT 30 Nov 93

[Text] Belgrade, Nov 30 (TANJUG)—A Serb Krajina official said on Tuesday [30 November] that the idea that the republic of Serb Krajina (R.S.K.) should return to within Zagreb's jurisdiction was a 'mistake of the European Union far greater than any made since 1991,' when war broke out in the lands of former Yugoslavia.

In an interview given to a local radio station in the new Yugoslavia (Serbia/Montenegro), the official, R.S.K. Foreign Minister Slobodan Jarcevic, described as another mistake the fact that the R.S.K. is not represented at the current round of Geneva talks on former Yugoslavia.

'Nobody has the right to shape the future of the people in our state, not even officials of the European Union,' Jarcevic told Radio Obrenovac.

The R.S.K. was proclaimed in 1991 by the local Serbs in those parts within the arbitrary communist-era borders of Croatia where they are the majority population, in response to Croatia's violent secession from Yugoslavia.

Zagreb refuses to recognise the R.S.K. and considers it as part of its own territory, whereas Krajina Serbs insist that theirs is an independent state created at the same time and in the same manner as the Republic of Croatia, with the disintegration of the original Yugoslav Federation.

A modus vivendi for the R.S.K., together with a solution for the problems of war-wracked Bosnia-Herzegovina, is a precondition set by the European Union for a phased suspension of sanctions, imposed on the new Yugoslavia in late May of 1992 for its alleged involvement in the Bosnian civil war which is raging among the local Moslems, Serbs and Croats.

R.S.K. President Goran Hadzic, in a statement to another local radio station in Serbia on Tuesday, said that the Geneva gathering was a stimulant to the co-chairmen of the Geneva-based international conference on former Yugoslavia to convene another round of talks which might bring about a phased lifting of the sanctions.

Hadzic told Radio Jagodina that everything Serbia had said at Geneva showed that there was no single reason for keeping the sanctions in place.

Speaking at Geneva on Monday, Serbian President Slobodan Milosevic called for an immediate lifting of the sanctions which he described as a crime against an entire nation.

Hadzic said that Yugoslavia had never been an aggressor, but had been fighting solely by political means for the recognition of the right of its co-nationals in the territories of former Croatia and Bosnia-Herzegovina to live in freedom and in the state of their choice.

WEU Political Commission Reviews Application

AU2811153093 Ljubljana DELO in Slovene 22 Nov 93 p 10

[Report by Bozo Masanovic: "In the Western European Union?"]

[Text] Paris 21 November—Slovenia might shortly be admitted into "the consultative forum" that the Western European Union [WEU] formed last June with the intention of allowing the familiarization of the nine central European states, as prospective members of the European Union, with its future security-defense policy.

A document that was in the name of the political commission prepared by Belgian Christian Socialist Pierre Wintgens and that will be discussed at the WEU session in Paris next week also contains a recommendation to the WEU ministerial commission "to examine without delay if, and to what extent are, the conditions for Slovenia's admission into 'the consultative forum' met and inform the parliamentarians about it." The foreign ministers of WEU member-states will discuss the strengthening of relations with central European countries in Luxembourg tomorrow, however, a decision about Slovenia can only be expected at the session of the WEU parliamentarians.

Although the stance of the political commission is merely the first step toward Slovenia's integration into the WEU institutions, it represents an important shift in the strategy of this organization. Namely, at the last session of the WEU Assembly this June, it was among other things written in the official document of its political commission that it would be "premature to contemplate inviting observers from the new republics on the territory of former Yugoslavia and Albania to the sessions regularly until a lasting peace agreement is reached that would also guarantee the survival of parliamentary democracies in this area."

The changes in the political stance of the Brussels 12, which have finally decided to start negotiations on association agreement with Slovenia, probably had a decisive influence on the changed WEU strategy. "The consultative forum," whose members are Bulgaria, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, and Slovakia is limited primarily to the central European states that might sooner or later join the European Union.

The report prepared for the parliamentarians of the nine WEU states (all members of the European 12 with the exception of Ireland, Denmark, and Greece, which is practically a member already) devotes a special chapter to Slovenia for the first time. It is written, among other things, that Slovenia has recently intensified its efforts to draw closer to the West European institutions. This comprises negotiations on associate membership in the European Union, which could, in five years at the earliest, transform itself into full membership. It is also stressed in this chapter that Slovene President Kucan, at the end of September, voiced the intention of his country to join the WEU and NATO pact, while, a month later, the parliament passed a resolution that Slovenia would apply for the status of a permanent observer in the WEU and a position of "an associate national delegation" to the NATO Assembly.

The report by the political commission adds that "some politicians in Slovenia are of the opinion that the reemergence of hostilities between the Serbs and the Croats is unavoidable, and thus, wonder where the West will draw 'the line of peace' within which it would safeguard its protection." A decision to include Slovenia among the members of "the consultative forum" must be, according to the recommendation of the parliamentarians, passed by the ministerial council of this West European organization, which besides the NATO pact, is growing into a new factor of peace on the continent. With the Franco-German military corps, which has already been joined by Belgian soldiers, it will have 40,000 men of the future joint European Army at its disposal in a year and a half.

A new attitude toward Slovenia is not the only change in the WEU strategy toward the events in former Yugoslavia. The same recommendation says that the ministerial commission should warn the WEU members that, in May, the Brussels 12 decided to recognize the Republic of Macedonia, and should, thus, press on Greece to immediately joint this decision. Due to Athens' stubbornness regarding Macedonia, the WEU Assembly has already blocked the procedure to ratify the agreement on Greece's membership.

Federal

Sanctions Believed Responsible for 'Brain Drain'

LD0112115993 Belgrade TANJUG in English 1131 GMT 1 Dec 93

[Text] Belgrade, December 1 (TANJUG)—Over the past year, a total of 828 researchers, including 181 Ph.D. and 156 M.A., left the Federal Republic of Yugoslavia (F.R.Y.). The Belgrade Institute for International Politics and Economy came by this data in a recent poll. The information, however, was not complete as it omitted a large number of economic firms and their research centers from which many young people left. A mere 76 percent of the total of 300 scientific institutions responded to the poll.

The "brain drain" tendency was on a constant rise in F.R.Y., especially over the past year and a half, since the international sanctions have been imposed against the F.R.Y. The country was hermetically sealed so that even imports of foreign specialized periodicals had been banned. In the field of medicine, for instance, which had kept step with world achievements, the increasing shortage of funds has brought the doctors in a situation of working without the basic medicaments and devices.

"Migration of top experts viewed on its own is not such an adverse process providing it does not take on large proportions and if it is done both ways," Dr Vladimir Grecic, deputy director of the institute told TANJUG Wednesday. He explained that most young experts went to the developed Western countries because they failed to obtain proper value for their work in conditions of economic instability.

"Brain drain" under normal conditions was a normal occurrence and desired, Yugoslav experts think. At this time, this drain from the F.R.Y. was excessive and for this reason had negative consequences, say these experts and recall that much had been invested in the training of these people.

The poll has shown that more than others the country was being left mostly by experts between the ages of 30 and 36, with a diploma of technical or medical sciences, as this profile was the most in demand in the West. Over the past 5 years, most of them went to the U.S. (29 percent), Canada (13 percent), Australia (9 percent) and Great Britain (6.5 percent).

Former Communist Party Resurrected at Congress

LD3011190893 Belgrade TANJUG Domestic Service in Serbo-Croatian 1440 GMT 30 Nov 93

[Text] Belgrade, 30 Nov (TANJUG)—The 15th congress of communists from all parts of the former Socialist Federal Republic of Yugoslavia, at which the League of Communists of Yugoslavia [LCY] was reconstituted, was held in Belgrade on 28 and 29 November, the LCY announced today. The congress was organized by the Yugoslav committee of the League of Communists—Movement for Yugoslavia.

The congress elected a new central committee. Stevan Mirkovic was elected chairman of the LCY Central Committee and Vladimir Gregorsek was elected secretary of the LCY Central Committee's Executive Council.

A statement, signed by Mirkovic, points out that the congress considers all LCY members from July 1990 still to be party members, except for those who disgraced the party's name, and calls on them to "renew their organizations and reestablish mutual contacts as well as contacts with their local leaderships."

Inflation Rate Nearing World Record

AU3011174993 Belgrade BORBA in Serbo-Croatian 23 Nov p 2

[Report by B. Stepanovic: "Imminent Financial Collapse"]

[Text] Measured according to the rise of foreign currency value, inflation reached 25,900 percent last month. This was calculated by Mladen Dinkic from the Economics Faculty in Belgrade. The value of the German mark rose 260 times in the period from 21 October to 21 November. This means that the average daily inflation was 19.65 percent, or 0.75 percent per hour. For the sake of comparison, when Germany financially collapsed in 1923, the daily inflation was 21.8 percent, or 45,213 percent for the month.

Our inflation is quickly nearing this world record; by election time, we shall have certainly surpassed it. It remains to be seen what inflation rate official statistics will have, but it is clear that the state can no longer control the inflation. It can control the fluctuation of the exchange rate—which is what it is doing—because it is created in only a handful of centers, whereas inflation is generated in many more places that are outside the state's influence—from companies to citizens who issue checks that subsequently bounce and, therefore, themselves participate in the gray emission, says Dinkic.

When it comes to the gray emission, the biggest generator is the state. Until 9 November, when it was formally announced that order was being introduced on the financial market and that the purchase of foreign currency was being transferred to the banks, the Service for Financial Transactions [Sluzba za Platni Promet] had generated a massive gray emission so that the balance on banks' accounts rapidly rose. After the alleged stop, the gray emission was discontinued so that, as early as 16 November, after a few days of inertia, the balance on bank accounts began to decrease. The state then tried to substitute the gray emission with the real primary emission, but the ready cash was once again funneled onto the streets in order to prevent the citizens from getting it and

buying foreign currency since the goal was exactly the opposite—to have the citizens sell their meager private reserves.

Dinkic believes that this state of affairs will last for only a few more days and that by the end of November, we should expect new gray emission and, therefore, a rise in the price of foreign currency. This is inevitable because expenditures are piling up, but the ruling set will not dare resort to any radical solutions before the elections. If things continue this way, the German mark will cost 8 billion dinars by New Year's. At the same time, salaries will have to be increased in order to enable people to buy something. Since prices increase along with the German mark, this is a "vicious circle." A monetary collapse cannot be avoided; it will definitely happen in the near future. A freezing of prices is to be expected around the New Year. Instead of using currency, payments will be made in kind—this process has already started because workers in some companies are already receiving packages of humanitarian aid, meant for refugees and the Krajinas, with the stamp of the Matica Srpska, says Dinkic.

Even if the sanctions are lifted, which is, of course, a political issue, this cannot give immediate results, but it will certainly be used for propaganda purposes and, finally, the Serbs in Bosnia will be blamed for everything. Mladen Dinkic claims that such statements are already beginning to circulate among the public.

Serbia

Official Predicts Lifting of Sanctions

AU3011204293 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 30 Nov 93

[Text] Serbian Assembly Chairman Zoran Arandjelovic and Interior Minister Zoran Sokolovic today visited the Knjazevac commune. At a rally in Kalnija, Arandjelovic said that the greatest achievement of this stormy and difficult two-year period was precisely Serbia's and Yugoslavia's survival and that the price all of us are paying is enormous but of historical significance. With the gross national product, which has decreased to a mere one-third of what it used to be, Serbia, Yugoslavia that is, has for a long time now been footing the bills of all Serbian lands. Therefore, the impoverishment of the citizens and the decline of living standards are realistic consequences of the situation we are in, and in which the Yugoslav peoples, in addition to all the internal problems, are enduring an unprecedented blockade imposed by the international superpowers. Arandjelovic assessed the sanctions and the blockade as being a criminal and illegal act, unprecedented in world history.

[Begin Arandjelovic recording] Therefore, now they are offering: either the policy will change, those that are doing this from abroad, outside the borders of our country, or we will keep the sanctions in place and it will be more difficult for you [sentence as heard]. Of course, since the Republic of Serbia has endured this so far, it will persevere, and we are convinced—since the world has now finally seen that there had been no reason for imposing the sanctions in the first place, much less for their maintenance—that they will gradually start relaxing the sanctions, and that they will ultimately be lifted. [end recording]

Zoran Arandjelovic also commented on President Milosevic's speech delivered yesterday in Geneva.

[Begin Arandjelovic recording] Yesterday, you had the chance to hear our President Milosevic's address in Geneva, and you were able to see just how precisely and with what authority he spoke at this meeting in Geneva. At this meeting in Geneva, President Milosevic clearly stated who had instigated the war, who is to be blamed for what has been happening in Yugoslavia, and (?he) did not want us to go on discussing this, because one may or may not admit his guilt, particularly if he is as strong as the international powers; however, what is important for us is that the world has come to recognize two very significant things: first, that the there are Serbs across the Drina River and second, something that was earlier never admitted to in the course of history and in former Yugoslavia, and that is that in the republic of Serbian Krajina and in the Serbian republic, two new Serbian states have been established, two states in which the people themselves will decide what will happen to them, who they will join, and whether they will be autonomous states, or a part of a people like Serbia for example, or Montenegro, or Yugoslavia [sentence as heard]. These people will decide when the time comes for this. [end recording]